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PART VIII.

FURTHER CORRESPONDENCE

RESPECTING THE

AFFAIRS OF PERSIA.

October to December 1906.

TABLE OF CONTENTS.

No.	Name	No.	Date.	SUBJECT.	Page
These two telegrams should have appeared in their places in Part VII.]					
1	Sir A. Nicolson ..	221 Tel.	Sept. 14, 1906	Persian Loan. His Majesty's Government's conditions may delay matters. Points out desirability of anticipating German action respecting loan	xxvii
2	" ..	225 Tel. Secret	17,	Persian Loan. Minister for Foreign Affairs would shortly express opinion of his colleagues and Emperor respecting boundary-lines of spheres. Question of Russian access to Gulf	xxvii
1	Mr. E. Grant Duff ..	217 Secret	Sept. 8, 1906	Tehran disturbances. Transmits correspondence between Government of Kermanshah and Persian Government. Showing that Russian Minister used the incidents at Tehran to further Russian interests in the provinces. Telegram purporting to have been addressed by the King to the "bastis"	1
2	" ..	218	8,	Tehran disturbances. Refers to No. 1. Transmits despatch from His Majesty's Consul-General at Tabreez, reporting attitude of Russian Consul-General, and rumours spread that the success of the clergy was due to Russian intervention ..	2
3	" ..	219	8,	Turco-Persian frontier. Transmits despatch from His Majesty's Consul-General at Tabreez showing that state of affairs is becoming worse	3
4	" ..	220	8,	Proposed Karun irrigation works. Transmits letter from Netherland Minister proposing the formation of a neutral commercial Company, with its headquarters in Holland, for the exploitation of the neighbourhood of Ahwaz	4
5	" ..	221	8,	Road Concession. Granted to two Persians from Shah Takhi on the Perso-Russian frontier to Urmia for seventy years. Road is 152 miles long	5
6	" ..	222	10,	Arms for Seistan. Refers to Nos. and Transmits correspondence with Persian Government regarding	7
7	" ..	223 Confidential	10,	The Valiahd. Transmits letter from His Majesty's Consul-General at Tabreez urging importance of some mark of attention being bestowed by His Majesty's Government on the Valiahd	8
8	" ..	224	10,	National Assembly. Transmits translations of speeches made at the first meeting by the Grand Vizier and the Mujtehid Seyyid Abdullah	10
9	" ..	225	10,	Oil Syndicate and the Bakhtiari. Refers to Part VII, No. 37. Transmits letter to the Ilkhani stating the views of the Oil Syndicate in reply to objections raised by the Khans to the Agreement of 1905	12
10	" ..	226	11,	Reform movement. Refers to Part VII, No. 109. Return of the Mujteheds from Kum and their audience with the Shah. Negotiations between the Government and the clergy with regard to the arrangements for the National Assembly. Transmits note to Grand Vizier recommending acceptance of the people's demands	13

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
11	Mr. E. Grant Duff ..	228	Sept. 11, 1906	Seistan riots. Transmits correspondence with Persian Government regarding satisfaction to be given for the attacks on His Majesty's Consulate	15
12	" ..	229	11,	Vali of Pusht-i-Kuh. Transmits despatch from His Majesty's Consul at Kermanshah to His Majesty's Consul-General at Bushire on the subject of his visit to. Chief desires His Majesty's Government to assure his position of semi-independence and make his fourth son a protégé ..	17
13	" ..	230	11,	Turco-Persian frontier. Transmits correspondence with Russian Minister, showing that statements of Turkish Government to His Majesty's Ambassador and Russian Chargé d'Affaires regarding rumoured withdrawal of Turkish Commissioner to Suleimanieh and collection of taxes in Mergawar were not identical	18
14	" ..	231	12,	Shiraz. Refers to Part VII, Nos. 116 and 117. Transmits correspondence respecting condition of affairs. Agitation now calmed down ..	19
15	" ..	232	12,	National Assembly. Transmits summary of election. Regulations for	23
16	" ..	235	12,	Euphrates and Tigris Steam Navigation Company and Haji Moin. Transmits despatch from His Majesty's Consul at Mohammerah regarding the situation on the Karun and the relations between	25
17	" ..	236	13,	German Bank. Refers to No. 161. Grand Vizier states that his predecessor had given permission for the establishment of. Position of Imperial Bank now strong, and it does not fear competition	26
18	" ..	237	13,	Oil Concessions. Transmits Memorandum by Mr. Churchill. Two Concessions have been granted to Nasr-el-Saltaneh ..	26
19	" ..	238	13,	Retired Austrian officers engaged as instructors of the Persian army. Transmits despatch from Military Attaché regarding ..	27
20	" ..	239	13,	Mesched-Seistan line. Refers to Part VII, Nos. 124 and 125. Grand Vizier denies that he was in any way responsible for Concessions beyond those accorded under the Shah's "Dastkhatt"	28
21	" ..	240	14,	Monthly summary of events	30
22	" ..	241 Secret	13,	Turco-Persian frontier. Transmits translation of telegram by Persian Commissioner to Grand Vizier, reporting presence of 6,000 men at Parsova, and that, so far, the Turkish Commissioner has taken no steps to begin a discussion	33
23	" ..	243	14,	Bakhtiari Road. Refers to Part VI, No. 212. Transmits Report by Captain Lorimer on the condition of	34
24	Sir A. Nicolson ..	621	14,	Joint advance. Transmits <i>aide-mémoire</i> communicated to M. Isvolsky, stating conditions on which His Majesty's Government are prepared to participate	38
25	" ..	628	17,	Joint advance. Conversation with M. Isvolsky, who considers that it would be wiser to settle the question of advance first and discuss spheres of influence later in connection with a larger loan	38

No.	Name.	No.	Date.	Subject.	Page
26	Sir A. Nicolson ..	629 Secret	Sept. 17, 1906	Anglo-Russian negotiations. Conversation with M. Isvolsky, who is anxious for a settlement, and considers the Birjand-Bunder Abbas line reasonable, but anticipates objections in the Cabinet ..	39
27	" "	635	19,	Meshed-Seistan line. Transmits Memorandum communicated by M. Isvolsky, denying that Russian Legation at Tehran was endeavouring to obtain complete control over ..	40
28	" "	636	20,	Anglo-Russian negotiations. Owing to absence of the Emperor, Minister for Foreign Affairs has had no opportunity of consulting him, but he intends to urge upon him the necessity for delimitating spheres of influence ..	41
29	" "	642 Confidential	21,	Joint advance. Minister for Foreign Affairs states that Russian Government are prepared to participate in. Minister of Finance has invited M. Naus to come to St. Petersburg to discuss particulars ..	42
30	" "	646	24,	Joint advance. Russian Government are prepared to contribute 100,000 <i>l.</i> for the immediate advance, but if more is required they will have to make an arrangement with His Majesty's Government. M. Isvolsky desires the details to be settled at St. Petersburg ..	43
31	" "	647 Confidential	24,	Anglo-Russian negotiations. Minister of Finance and Minister for Foreign Affairs are prepared to accept British line, but they anticipate objections from the General Staff. M. Isvolsky prefers to treat question of telegraph lines as part of the larger question ..	44
32	Sir F. Lascelles ..	291	25,	German Bank. Transmits translation of a telegram published in the "Cologne Gazette," explaining the nature of ..	45
33	Imperial Bank of Persia ..		29,	Loan to Persia. Refers to Part VII, No. 221. Manager at Tehran has been instructed to hold 100,000 <i>l.</i> at disposal of His Majesty's Minister ..	45
34	Sir A. Nicolson ..	254 Tel.	Oct. 1,	Meshed-Seistan line. Refers to Part VII, No. 224. Minister for Foreign Affairs anxious not to divulge negotiations to third parties, which he fears might happen if the transfer of lines were effected ..	45
35	Sir C. Spring-Rice .. " A. Nicolson ..	144	1,	Anglo-Russian understanding. Persian Minister has inquired whether any agreement exists between British and Russian Governments. Has been told that no such agreement exists, and that discussions did not prejudice the integrity of Persia ..	46
36	Treasury ..	..	1,	Joint advance to Persia. Refers to Part VII, No. 220. Sum required (50,000 <i>l.</i>) shall be placed at disposal of Secretary of State for Foreign Affairs, it being understood that His Majesty's Government will take the earliest opportunity of asking Parliament to repay the advance from the Treasury Chest Account ..	46
37	" ..	..	1,	Loan to Persia. Refers to Part VII, No. 220. Paymaster-General has been authorized to transfer 50,000 <i>l.</i> to credit of Vote for Diplomatic and Consular Services	46

No.	Name.	No.	Date.	Subject.	Page
38	To Sir A. Nicolson ..	381 Tel.	Oct. 2, 1906	Joint advance. Refers to Part VII, No. 224. His Majesty's Government are prepared to go on with the whole advance, and do not wish to exercise undue pressure on the Russian Government, but the question of the Seistan telegraph cannot be allowed to remain in its present state ..	47
39	To Sir F. Lascelles ..	271	2,	German bank in Tehran. Refers to Part VII, No. 213. German Chargé d'Affaires has stated that, should the project be realized, it would be a purely private bank. His Government had no knowledge of any German loan being discussed in financial circles ..	47
40	India Office ..	..	2,	Halul Island. Refers to Part VII, No. 126. Transmits despatch from Major Cox to Government of India relative to the status of ..	48
41	Sir A. Nicolson ..	255 Tel.	3,	Joint advance. Refers to No. 38. Has informed Minister for Foreign Affairs that immediate acceptance of Birjand-Bunder Abbas line would not be insisted on by His Majesty's Government as condition to. M. Isvolsky has agreed to British lien on southern customs ..	50
42	" ..	256 Tel.	3,	Meshed-Seistan telegraph. Refers to No. 38. Has again urged Minister for Foreign Affairs for an early solution of this question ..	51
43	Sir C. Spring-Rice ..	269 Tel.	3,	Turco-Persian frontier dispute. Turkish Military Attaché states that his Government claim a line touching Lake Urumia, and including Passova. Persian Government disappointed at the failure of their appeal to Great Britain and Russia, and hint having recourse to Germany ..	51
44	" ..	270 Tel.	3,	Audience of the Shah. Has been postponed owing to state of His Majesty's health. Latter stated to be greatly disturbed by rumour of an Anglo-Russian partition of Persia ..	52
45	" ..	271 Tel.	3,	Turco-Persian frontier dispute. Refers to No. 43. Persian Commissioner has reported that Turkish Commissioner had threatened immediate rupture. Persian Ambassador at Constantinople has been instructed to communicate with British and Russian Representatives ..	52
46	To Sir C. Spring-Rice ..	169 Tel.	3,	Joint advance. Refers to Part VII, No. 158. Russian and British Governments have decided to make an immediate advance to Persian Government of 200,000 <i>l.</i> in equal moieties. Should discuss conditions with Russian Minister ..	52
47	India Office ..	..	4,	Joint advance. Accountant-General has been instructed to pay 50,000 <i>l.</i> to Bank of Persia. Agrees that 100,000 <i>l.</i> be placed from Indian revenues for purpose of joint advance ..	52
48	Sir C. Spring-Rice ..	272 Tel.	4,	Audience of the Shah. Has just presented his credentials, Shah's health having somewhat improved ..	53

No.	Name.	No.	Date.	SUBJECT.	Page
49	To India Office ..	..	Oct. 4, 1906	Karun irrigation scheme. Refers to Part VII, No. 217. Concurs that it would not be practicable to make an advance to Persian Government otherwise than in agreement with Russian Government ..	53
50	Sir C. Spring-Rice ..	273 Tel.	5,	Joint advance. Refers to No. 46. Has communicated with Russian Minister. Conditions will be drafted on lines already agreed upon, and submitted to the two Governments ..	53
51	Mr. G. Barclay ..	196 Tel.	5,	Turco-Persian frontier dispute. Refers to No. 43. Communication made to him and Russian Ambassador by Persian Ambassador, suggesting their arbitration ..	54
52	To Sir C. Spring-Rice	172 Tel.	6,	Anglo-Russian negotiations. May inform Minister for Foreign Affairs that the discussions between the two Powers in no way prejudice the integrity of Persia ..	54
53	" ..	173 Tel.	6,	Anglo-Russian negotiations. The basis suggested will be followed ..	54
54	Sir A. Nicolson ..	259 Tel.	7,	Meshed-Seistan line. Has pressed Minister for Foreign Affairs to give a reply soon. Latter has spoken to Emperor on the matter, but has not disclosed the result ..	54
55	Sir C. Spring-Rice ..	274 Tel.	7,	Bakhtiari negotiations. Suggests they should be intrusted to Captain Lorimer, under direction of Legation. All correspondence to be forwarded through the Consul-General in whose district he is at the time ..	55
55*	" ..	275 Tel.	7,	National Assembly. Inauguration of by Shah ..	55*
56	To Sir C. Spring-Rice	174 Tel.	8,	Bakhtiari affairs. Refers to No. 55. Approves suggestion ..	55
57	Sir C. Spring-Rice ..	276 Tel.	9,	Seistan riots. Retention of British levies desirable in view of presence of Russians, and of the effect they will produce on the Persian authorities ..	55
58	India Office ..	..	10,	Karun Irrigation Scheme. Transmits telegram to Government of India. It would not be practicable to make any advance to Persian Government at present, otherwise than in agreement with Russian Government ..	55
59	Sir A. Nicolson ..	264 Tel.	10,	Meshed-Seistan telegraph. Has received Memorandum from Minister for Foreign Affairs repeating arguments against the immediate exchange of the two lines ..	56
60	Imperial Bank of Persia	..	11,	Overdue promissory note. Transmits correspondence respecting ..	56
61	Sir C. Spring-Rice ..	278 Tel.	11,	Shah's promissory note. Note for 150,000L now overdue, and Manager of Imperial Bank has received orders to press for payment. Money cannot be found. Difficulty mainly a legal one, in connection with General Meeting. Suggests Bank should consent to postpone their demand ..	58
62	To Sir A. Nicolson ..	399 Tel.	11,	Turco-Persian frontier dispute. His Majesty's Government are willing that the Russian and British Representatives at Constantinople should assist in the settlement of ..	58

No.	Name.	No.	Date.	SUBJECT.	Page
63	To Sir C. Spring-Rice	155 Confidential	Oct. 11, 1906	Vatihd. Refers to No. 7. Inquires his views as to the opportuneness of the step suggested ..	58
64	Sir G. Mackenzie ..	..	11,	Spheres of influence. Suggests dividing line of. Transmits map and his letter to Foreign Office of 18th November, 1901 ..	59
64*	Sir A. Nicolson ..	267 Tel.	12,	Joint advance. Question of rate of interest and date of repayment ..	61*
65	Sir C. Spring-Rice ..	279 Tel.	12,	Loan. Refers to No. 50. M. Naus states Persian Government would prefer British guarantee to be same as in previous loans. Requests instructions in view of Russian definition of this guarantee, and suggests they should be informed that His Majesty's Government adhere to their interpretation of "ports of the Persian Gulf" ..	61
66	" ..	280 Tel.	12,	Persian finances. M. Naus states they are becoming more and more embarrassed. He has offered to organize the internal taxation, which would give him great power, but would meet with strong opposition ..	61
67	" ..	281 Tel.	12,	Meshed-Seistan line. Acceptance might prevent Kuh-i-Malik Siah extension, and Russian Agents would still be posted along Afghan frontier..	61
68	To Sir C. Spring-Rice	179 Tel.	12,	Overdue promissory note. Refers to No. 61. His Majesty's Government cannot intervene ..	62
68A	Sir C. Spring-Rice ..	282 Tel.	13,	Joint advance. Refers to No. 52. Russian Minister agrees that it would be well to publish statement that object of negotiations was to maintain independence and integrity of Persia ..	62*
68B	" ..	283 Tel.	13,	Turco-Persian frontier dispute. Possibility of German intervention ..	62
68C	" ..	284 Tel.	13,	Joint advance. Refers to No. 65. Difficulty arisen with regard to terms of ..	62*
69	To Sir C. Spring-Rice	181 Tel.	13,	Loan. Refers to No. 65. His Majesty's Government hold to their interpretation of the term "ports of the Persian Gulf" ..	62
70	Sir C. Spring-Rice ..	285 Tel.	14,	Joint advance. Refers to No. 64*. Identity of terms essential, but hard terms should not be exacted. Larger loan will probably become essential ..	62
71	Sir A. Nicolson ..	662 Confidential	Sept. 29,	Anglo-Russian negotiations. Conversation with M. Isvolsky, who is anxious that the question of spheres of influence should not be settled in connection with the joint advance, but as part of a general agreement ..	63
72	" ..	663	29,	Meshed-Seistan line. Has urged Minister for Foreign Affairs for a speedy settlement of the question, but latter afraid to disclose the co-operation of British and Russian Governments ..	64
73	" ..	664	29,	Anglo-Russian negotiations. Has informed Minister for Foreign Affairs that it is desirable that Consular rivalry should cease. M. Isvolsky states he has issued instructions to that effect ..	65

No.	Name.	No.	Date.	SUBJECT.	Page	No.	Name.	No.	Date	SUBJECT.	Page
74	Sir A. Nicolson ..	669	Oct. 3, 1906	Joint advance. Has informed Minister for Foreign Affairs that His Majesty's Government would not insist on immediate acceptance of Birjand-Bunder Abbas line as a condition of	66	89	To Sir A. Nicolson ..	409 Tel.	Oct. 18, 1906	Joint advance. Refers to No. 81. His Majesty's Government agree to 7 per cent. if Russian Government refuse to make it 5 per cent.; but consider it preferable to fix no date for repayment	78
75	" "	670	4.	Meshed-Seistan line. Has urged Minister for Foreign Affairs for transfer of the lines and a speedy settlement of the question	66	90	India Office ..	..	17,	Complaints of Persian Government against British Agent at Lingah. Transmits correspondence from Government of India relative to. Government of India consider complaints against Agha Badr are due to conscientious discharge of his duties as British Agent	74
76	" "	680	10,	Meshed-Seistan line and Anglo-Russian negotiations. Transmits Memorandum giving views of Russian Government as to the telegraph line. M. Isvolsky further insists on the purely personal nature of his views as to the Birjand-Bunder Abbas line.....	67	91	Memorandum communicated by Mirza Mehdi Khan	..	19,	Arms for Seistan. Refers to Part VII. No. 123. Reply of Persian Minister for Foreign Affairs protesting against importation of	76
77	India Office ..	..	13,	Karun irrigation. Transmits telegram from Government of India as to the cost and probable return of the project	69	92	Sir C. Spring-Rice ..	292 Tel.	19,	Health of Shah. Doctors note improvement, but Shah is despondent	77
78	Sir C. Spring-Rice ..	286 Tel.	15,	Joint advance. Refers to No. 70. Undesirable to impose too hard terms on Persian Government. Money is very scarce, and a larger loan will probably be required	69	92*	Sir A. Nicolson ..	270 Tel.	19,	Joint advance. Refers to No. 68A. Conversation with Assistant Minister for Foreign Affairs, who deprecates public statement	77*
79	To Sir A. Nicolson ..	406 Tel.	15,	Anglo-Russian loan. Refers to No. 64*. Concurs in view of Russian Government as to desirability of terms being identical, but considers those proposed by Russian Government rather stringent	70	93	To Sir C. Spring-Rice	185 Tel.	19,	Karun irrigation. Refers to No. 86. Approves action proposed	77
80	Sir A. Nicolson ..	686	12,	Joint advance. Transmits <i>aide-memoire</i> communicated by Minister for Foreign Affairs concerning the rate of interest and terms of the advance	70	94	To Sir A. Nicolson ..	411 Tel.	19,	Turco-Persian frontier dispute. Refers to No. 87. Instructions in accordance with proposal of His Majesty's Government will be sent to Constantinople if Russian Government agree	77
81	" "	268 Tel.	16,	Rate of interest for joint advance. Refers to No. 79. Asks whether he may suggest 7 per cent. as a compromise, and for instructions as to fixing a date for repayment	71	95	India Office ..	..	19,	Tehran-Meshed and Meshed-Seistan telegraph lines. Notes on	77
82	Sir C. Spring-Rice ..	287 Tel.	16,	Turco-Persian frontier. Persian Government have protested that Turks have encroached to within 4 miles of Urmie	71	96	Sir C. Spring-Rice ..	294 Tel.	20,	Financial position and loan. Communications (A) and (B) regarding the attitude of Russia and the proposed Belgian loan	79
83	To Sir A. Nicolson ..	467 Confidential	16,	Turco-Persian frontier. Russian Ambassador has proposed, on behalf of his Government, the joint intervention of Great Britain and Russia	71	97	" ..	296 Tel.	20,	Turco-Persian frontier. Turks have encroached to within 2 miles of Urmie, and are said to be collecting taxes. Persian Government are sending troops	79
84	To Imperial Bank of Persia	..	16,	Overdue promissory note. Refers to No. 60. Case is not one in which His Majesty's Government can intervene	72	98	Sir A. Nicolson ..	274 Tel.	21,	Turco-Persian frontier. Memorandum of 12th October was sent to Russian Ambassador for his observations, and not as an instruction	79
85	Imperial Bank of Persia	..	18,	Overdue promissory note. Refers to No. 84. Transmits telegram to Manager at Tehran instructing him to make a formal protest	72	98*	" ..	275 Tel.	21,	Joint advance. Russian Government agree to 7 per cent. as rate of interest	79*
86	Sir C. Spring-Rice ..	288 Tel.	18,	Karun irrigation. Refers to No. 4. Dutch Minister desires to know what view His Majesty's Government take of his scheme. Danger that Persian Government may accept Dutch offer	72	99	Sir C. Spring-Rice ..	297 Tel.	21,	Meshed-Seistan telegraph. Refers to No. 67. Objections to proposal that extra wires should be put up on both lines, so that Russians and British should each have one wire	80
87	" "	289 Tel.	18,	Turco-Persian frontier. Refers to No. 82. Persian Government have appealed to His Majesty's Government for assistance against Turkish encroachments	73	100	Memorandum communicated by Mirza Mehdi Khan	..	19,	Complaint against action of His Majesty's Consul in Shiraz. Complains that Mr. Graham allows criminals to take refuge in His Majesty's Consulate	80
88	" "	291 Tel.	18,	Joint advance. Immediate necessity for, in view of the great scarcity of money and state of public opinion	73	100*	Sir A. Nicolson ..	276 Tel.	22,	Turco-Persian boundary dispute. Refers to No. 62. Instructions to Russian Ambassador at Constantinople	81*

No.	Name.	No.	Date.	SUBJECT.	Page
101	Mr. G. Barclay ..	200 Tel.	Oct. 22, 1906	Turco-Persian frontier. Persian Ambassador has telegraphed to Tehran stating that Porte expect Persian counter-proposal, and urging postponement of withdrawal of Persian Commissioner. Persian Ambassador not hopeful, and inquires whether Mr. Barclay has received instructions ..	81
102	To Sir A. Nicolson ..	412 Tel.	22,	Anglo-Russian understanding. Integrity of Persia should be referred to as object of ..	81
103	" ..	415 Tel.	22,	Joint advance. Terms satisfactory. His Majesty's Minister will be instructed to advance the money as soon as he and his Russian colleague are satisfied that it will be put to the right use ..	81
104	To Sir C. Spring-Rice	190 Tel.	22,	Joint advance. Should advance money as soon as he and his Russian colleague are satisfied that it will be applied to the right purpose ..	82
105	Mr. G. Barclay ..	201 Tel.	23,	Turco-Persian frontier. Refers to No. 97. Grand Vizier states Persian account of Turkish encroachment near Urmia is unfounded ..	82
106	Sir C. Spring-Rice ..	298 Tel.	23,	Turco-Persian frontier. In offering good offices His Majesty's Government should limit their responsibility in event of a refusal to accept the Award, such as occurred previously ..	82
107	" ..	299 Tel.	23,	Health of the Shah. Doctors note improvement in ..	82
108	" ..	300 Tel.	23,	Integrity of Persia and Anglo-Russian negotiations. Russian Legation has assured Shah that Russia was defending Persian integrity against proposals of His Majesty's Government ..	82
109	" ..	301 Tel.	23,	Turco-Persian frontier. Refers to No. 62. Has informed Grand Vizier that the British and Russian Governments are considering a proposal for settlement. Russian Minister considers authorization should first be obtained from Persian Government ..	83
110	To Mr. G. Barclay ..	177 Tel.	23,	Turco-Persian frontier. Refers to No. 100*. Should concert details of proposal with his Russian colleague ..	83
111	Sir C. Spring-Rice ..	302 Tel.	23,	Joint advance. Refers to No. 98*. Russian Minister has received no instructions in this sense. He has communicated draft contract, on which Russian Government have not yet expressed their views	83
112	" ..	303 Tel.	23,	Joint advance. Instructions may have been sent to Russian Bank direct. Has asked Manager of Imperial Bank to ascertain, and draft contract on lines agreed upon ..	84
113	" ..	304 Tel.	24,	Joint advance. Refers to No. 112. No orders have yet been received by Manager of Russian Bank ..	84
114	" ..	305 Tel.	24,	Joint advance. Refers to No. 69. Text of note to Persian Government to the effect that His Majesty's Government hold to the interpretation already laid down of the "ports of the Persian Gulf" ..	84

No.	Name.	No.	Date.	SUBJECT.	Page
115	Sir A. Nicolson ..	278 Tel.	Oct. 24, 1906	Joint advance. Russian Minister at Tehran has been instructed in sense desired ..	84
116	To Sir C. Spring-Rice	192 Tel.	24,	Anglo-Russian understanding. Refers to No. 108. Inquires if he has corroborative evidence of statement of Minister for Foreign Affairs as to language held by Russian Legation ..	85
117	To Sir C. MacDonald	185	24,	Anglo-Russian loan to Persia. Has informed Japanese Ambassador of ..	85
118	India Office ..	..	24,	Vali of Pusht-i-Kuh. Considers it undesirable at present to enter into political relations with ..	85
119	Imperial Bank of Persia	..	24,	Joint advance. Transmits telegram from Manager in Tehran stating conditions. Inquires whether he should be authorized to sign ..	86
120	Mr. G. Barclay ..	202 Tel.	25,	Turco-Persian frontier. Locality of River Lahan uncertain, and Russian Ambassador not authorized to include mention of it in joint communication ..	86
121	Sir C. Spring-Rice ..	306 Tel.	25,	Loan. Refers to No. 114. Russian Government favourable to British claim on Mohammerah, but insist on exclusion of ports east of entrance of Gulf ..	86
121*	" ..	307 Tel.	25,	Joint advance. Text of Loan Convention proposed by Russian Government between Persian Government and the Bank ..	86*
122	" ..	308 Tel.	25,	Turco-Persian frontier. Refers to No. 120. Has communicated No. 62 to Persian Government and Russian Minister ..	87
123	" ..	309 Tel.	25,	Anglo-Russian relations. Attitude of Russian Legation. Refers to No. 62. Shah influenced in favour of Russia. Has no evidence of language held by Russian Legation ..	87
124	" ..	310 Tel.	25,	Loan. Refers to No. 121*. Customs will be real guarantee for ..	87
125	To Sir C. Spring-Rice	193 Tel.	25,	Joint advance. Refers to No. 114. Approves proposed note to Persian Government. Russian Minister for Foreign Affairs having already agreed to southern customs as British security, it is unnecessary to mention the matter further ..	87
126	To Imperial Bank of Persia	..	25,	Joint advance. Refers to No. 119. Tehran Manager should now be authorized to sign contract ..	87
127	India Office ..	..	25,	Mesched-Seistan line. Refers to No. 76. Objections to M. Isvolsky's Memorandum	88
128	Mr. G. Barclay ..	203 Tel.	26,	Turco-Persian frontier. Refers to No. 120. Position of the river claimed as frontier by the Turks ..	88
129	Sir C. Spring-Rice ..	311 Tel.	26,	Joint advance. Refers to No. 125. Customs the only trustworthy guarantee. Russia at present considers the ports east of the Gulf to furnish part of her guarantee ..	89

TABLE OF CONTENTS.

No.	Name.	No.	Date.	Subject.	Page
130	Sir C. Spring-Rice ..	312 Tel.	Oct. 26, 1906	Health of Shah. Doctors report condition worse. Has arranged that, in case of Shah's death, Russian and British Consuls at Tabreez should call together on the Valiahd and accompany him to the capital	89
131	To Mr. G. Barclay ..	178 Tel.	26,	Turco-Persian frontier dispute. Refers to No. 120. In view of uncertainty as to position of River Lahan, it would be better not to mention it in speaking to the Grand Vizier	89
132	To Sir C. Spring-Rice	194 Tel.	26,	Joint advance. Refers to No. 121. His Majesty's Government hold to same interpretation of the guarantee. Better not to discuss ultimate settlement of Persian question with M. Hartwig	89
133	" "	195 Tel.	26,	Joint advance. Refers to 121*. Approves proposed text of Convention. British and Russian Representatives should each obtain concurrence of the other before making any advances.. ..	90
134	Sir C. Spring-Rice ..	314 Tel.	27,	Joint advance. Contract accepted by Persian Government. Has agreed with Russian Minister that consent of both Legations must be obtained for all payments	90
135	" "	315 Tel.	27,	Advance to Valiahd. Valiahd has applied for money. Russian Minister agrees that no money should be advanced till both Legations order it	90
136	" "	316 Tel.	27,	Joint advance. Refers to No. 132. Is convinced that Russian Minister has instructions to maintain that the guarantee for Russian moiety includes customs of ports outside the Persian Gulf	90
137	" "	317 Tel.	27,	Karun irrigation. Repeats telegram to Government of India. Russian Minister has informed Dutch Minister that his Government have no objection to an international and non-political Company ..	91
138	Mr. E. Grant-Duff ..	246 Confidential	Sept. 26,	Cossack Brigade. Transmits Memorandum by Military Attaché regarding the present unsatisfactory condition of	91
139	" "	247	26,	Bahrein. Refers to Part V, No. 217. Transmits note from Persian Government claiming sovereignty over. Has made no reply	92
140	" "	248	28,	Seistan. Fifty Persian soldiers have left for Kuh-i-Malek Siah	94
141	Sir C. Spring-Rice ..	252	Oct. 6,	Opposition of Valiahd to the reform movement. Transmits despatch from His Majesty's Consul-General at Tabreez reporting, and note from Mr. Grant Duff to Grand Vizier urging him to persuade refugees at Tabreez Consulate to disperse	94
142	" "	253	6,	Pusht-i-Kuh. Refers to No. 12. Transmits two Reports addressed His Majesty's Consul at Kerman-shah to His Majesty's Consul at Bushire on capabilities of Pusht-i-Kuh as a district for the purchase of mules, and on the military position of the Vali	96

TABLE OF CONTENTS.

No.	Name.	No.	Date.	Subject.	Page
143	Sir C. Spring-Rice ..	254	Oct. 6, 1906	Arms for Seistan. Refers to No. 6. Transmits correspondence between Mr. Grant Duff and the Grand Vizier relative to the importation of	97
144	" "	255	6,	Meshed-Seistan telegraph. Refers to Part VII, No. 207. Transmits note addressed by Mr. Grant Duff to Persian Government on hearing that the Russians were tampering with the Seistan end of the line. Noticeable delay in messages since line passed into Russian control	98
145	" "	256	7,	His arrival at Tehran. Transmits Memorandum by Mr. Churchill of the formalities observed and presents given	99
146	" "	257	7,	Anglo-Russian understanding. Résumé of a conversation with Minister for Foreign Affairs, who expresses apprehension at ..	102
147	" "	258	7,	Anglo-Russian negotiations. Conversation with Russian Minister respecting. Transmits telegram addressed His Majesty's Consular officers instructing them to desist from ancient rivalry	103
148	" "	260	7,	Doctor for the Bakhtiari Khans. Transmits report by His Majesty's Consul-General at Bushire on question of appointing, with notes on the doctors at present practising in the Bakhtiari country and the diseases prevalent there	104
149	" "	261	7,	National Assembly. Refers to No. 55*. Opening ceremony	107
150	" "	263	7,	Reform movement. Transmits despatch from His Majesty's Vice-Consul at Resht on the manifestation in that town	108
151	" "	264	11,	Anglo-Russian understanding. Growth of public opinion in Persia, which should be reckoned with	109
152	" "	265	11,	Reform movement. Transmits report by His Majesty's Consul-General at Tabreez on the demonstration in that city, and the refugees in the Consulate, and the part played by the Valiahd	110
153	" "	266 Confidential	11,	Health of Shah. Serious condition of. Transmits two reports by Dr. Scott	114
154	" "	268	11,	Monthly summary. Transmits. List of principal Ministers and Governors ..	117
155	Sir A. Nicolson ..	694 Confidential	15,	Anglo-Russian negotiations. French Minister doubts whether the present Russian and French Ministers at Tehran would facilitate matters	121
156	" "	699	19,	Rate of interest for joint advance. Assistant Minister for Foreign Affairs desired it to be 9 per cent. Has suggested 7 per cent. as a compromise, and informed him that it would be better to fix no date for repayment	122
157	" "	701	19,	Anglo-Russian negotiations. Conversation with Assistant Minister for Foreign Affairs on desirability of publishing a statement that the integrity and independence of Persia were the chief objects of ..	122

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
158	Sir A. Nicolson ..	702	Oct. 20, 1906	Turco-Persian frontier dispute. Refers to No. 94. Instructions to Russian Ambassador at Constantinople ..	123
159	" ..	706	22,	Rate of interest for joint advance. Transmits Memorandum from Ministry for Foreign Affairs stating Russian Government agree to 7 per cent, and to not fixing date of repayment ..	123
160	" ..	709	22,	Turco-Persian frontier. Refers to No. 62. Transmits <i>aide-mémoire</i> from Minister for Foreign Affairs stating that instructions have been sent to Russian Ambassador at Constantinople, with view to joint mediation ..	124
161	" ..	712	24,	Joint advance. Refers to No. 159. Date on which instructions were sent to Russian Minister in Tehran authorizing him to make the advance ..	124
162	Imperial Bank of Persia ..	27,		Loan contract. Refers to No. 126. Chief Manager in Tehran has been authorized to sign ..	125
163	Sir C. Spring-Rice ..	319 Tel. Secret	29,	Joint advance. Communication received as to Russian intrigues for a larger loan ..	125
164	To Sir A. Nicolson ..	425 Tel.	29,	Joint advance. Refers to No. 134. Should ask Russian Government if they agree to addition to contract asked for by Persian Government. His Majesty's Government do not object to it ..	126
165	To Sir C. Spring-Rice	196 Tel.	29,	Advance to Valiahd. Refers to No. 135. For the present unnecessary to mention matter to the Bank. Money cannot be given while Shah still lives ..	126
166	Mr. G. Barclay ..	719	26,	Turco-Persian frontier dispute. Refers to No. 120. Proposed Anglo-Russian intervention. Transmits wording of communication to the Grand Vizier as proposed by Russian Ambassador. Latter's instructions differ from his own ..	126
167	Euphrates and Tigris Steam Navigation Company ..	29,		Karun navigation. Company's abortive negotiations with the Mouin-el-Tejar ..	127
168	Persian Transport Company ..	29,		Karun navigation. Relations of Euphrates and Tigris Steam Navigation Company with Mouin-el-Tejar. Request that His Majesty's Government should direct attention of Persian Government to fact that a considerable debt has accumulated on the working of the "Shushan" on behalf of Persian Government, which Company would have to press for if Persian Government sanctions competition with their own steamer ..	128
169	Memorandum communicated to Persian Chargé d'Affaires ..	30,		Arms for Seistan Consulate. Refers to No. 91. Necessity for importing ..	129
170	Mr. G. Barclay ..	206 Tel.	30,	Turco-Persian frontier. Has spoken to Grand Vizier and Minister for Foreign Affairs, who stated that recourse to good offices of Great Britain and Russia was admitted in principle ..	129

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page.
171	Sir C. Spring-Rice ..	320 Tel.	Oct. 30, 1906	Advance to Valiahd. Refers to No. 165. Necessity for and desirability of an Anglo-Russian agreement with regard to ..	129
172	To Sir C. Spring-Rice	161	30,	Complaint of Persian Government against His Majesty's Consul at Shiraz. Transmits No. 169 ..	130
173	To Treasury ..	Confidential	30,	Loan to Valiahd. Proposal to make a joint advance with Russia of not more than 100,000l. to the Valiahd to secure his accession. Government of India to advance 50,000l., provided Treasury will guarantee half this sum ..	130
174	Sir A. Nicolson ..	282 Tel.	31,	Turco-Persian frontier dispute. Russian Government have informed him that Russian and British Representatives at Constantinople have agreed to give privately to Grand Vizier a Memorandum proposing mediation, but mentioning no definite line ..	131
175	" ..	283 Tel.	31,	Joint advance. Refers to No. 164. Russian Minister at Tehran has been authorized to fix date of repayment at one year, with three months' notice. This differs from Persian proposal. Is he to agree? ..	131
176	Sir C. Spring-Rice ..	321 Tel.	31,	Turco-Persian frontier. Minister for Foreign Affairs more sanguine with regard to the situation, and has expressed thanks for good offices of His Majesty's Government	131
177	To Sir A. Nicolson ..	431 Tel.	31,	Anglo-Russian negotiations. Should let M. Isvolsky feel that His Majesty's Government expect progress to be made after his visit to Berlin. Kerman should, if possible, be included in line proposed, and each of the Powers should bind itself not to seek or maintain influence in the districts bordering on the other's territory ..	131
178	" ..	487	31,	Meshed-Seistan telegraph. Refers to No. 76. Objections of His Majesty's Government to Memorandum from the Russian Government respecting ..	132
179	To India Office ..	..	31,	Loan to Valiahd. Refers to No. 171. Considers Imperial Bank of Persia should be authorized to pay the money as soon as necessary after the Shah's death ..	133
180	Sir C. Spring-Rice ..	322 Tel.	Nov. 1,	Joint advance. Refers to No. 163. Russian Minister authorized to agree to condition that repayment may be demanded on three months' notice, after one year's delay ..	133
181	" ..	323 Tel.	1,	Meshed-Seistan line. Refers to No. 99. Director of Telegraph Department states existing poles are not strong enough for carrying extra wires, and cost of replacing them with iron posts would be 50,000l. ..	133
182	To Sir A. Nicolson ..	433 Tel.	1,	Joint advance. Refers to No. 175. Authorizes him to accept proposal of Russian Government ..	133
183	" ..	435 Tel.	1,	Meshed-Seistan line. Refers to No. 178. Noticeable delay in messages since line has passed into Russian control ..	134

No.	Name.	No.	Date.	SUBJECT.	Page
184	India Office	..	Nov. 2, 1906	Advance to Valiahd. Refers to No. 179. Council of India have agreed, on condition that Imperial Exchequer accepts a moiety of the risk, to advance 50,000 <i>l.</i> , which Accountant-General has been instructed to hold in readiness. Suggests, however, Imperial Government should provide half the sum, instead of merely guaranteeing it	134
185	To Sir C. Spring-Rice	165	2,	Karun navigation. Refers to No. 16. Relations of Euphrates and Tigris Steam Navigation Company with Moin-ut-Tujjar. Authorizes him to instruct His Majesty's Consuls in sense desired ..	134
186	India Office	..	..	Karun irrigation. Transmits telegram to Viceroy respecting	135
187	Sir A. Nicolson	..	286 Tel.	Meshed-Seistan line. Has explained to Minister for Foreign Affairs that there has been a distinct modification of <i>status quo</i>	135
188	" "	..	287 Tel.	Anglo-Russian negotiations. Refers to No. 177. Has impressed upon Minister for Foreign Affairs necessity for progress in. M. Isvolsky fears difficulties, both from his Government and from Germany ..	135
188*	Sir C. Spring-Rice	..	325 Tel.	Karun irrigation. Sheikh of Mohammerah desires to form a purely Persian Company, and requests loan of Major Morton as expert adviser	135*
189	" "	..	326 Tel.	Turco-Persian frontier. Turkish Commissioner has demanded Lahan as frontier, which has been refused by Persian Government.. ..	136
190	To Treasury	..	..	Advance to Valiahd. Transmits No. 184 for observations (see No. 197) ..	136
191	Sir F. Lascelles	..	333 Very Conf.	Oct. 29, M. Isvolsky's visit to Berlin. Conversation with M. Isvolsky on the Anglo-Russian negotiations	136
192	Mr. G. Barclay	..	729	30, Turco-Persian frontier. Refers to No. 170. Has spoken to Grand Vizier and Minister for Foreign Affairs, who have shown no unwillingness to have recourse to good offices of Great Britain and Russia ..	138
193	India Office	..	..	Nov. 5, Karun irrigation. Transmits telegram from Government of India. Danger of Karun tract passing under foreign control ..	140
194	Sir A. Nicolson	..	289 Tel. Confidential	5, Anglo-Russian Agreement. Conversation with German Ambassador respecting attitude of Germany	140
195	Mr. G. Barclay	..	208 Tel.	5, Turco-Persian frontier. Refers to No. 189. Persian Commissioner is preparing counter-proposal. Turkish Commissioner has been given a freer hand	141
196	To Sir C. Spring-Rice	..	170	6, Karun navigation. Transmits No. 167. Relations of Persian Transport Company with Mouin-el-Tejar. Should make representations in sense desired	141

No.	Name.	No.	Date.	SUBJECT.	Page
197	Treasury	..	Nov. 6, 1906	Loan to the Valiahd. Refers to No. 173. Agree to guarantee half the amount advanced by the Government of India, and prefer this arrangement to the alternative suggested by the Secretary of State for India (see No. 190)	141
198	Sir A. Nicolson	..	291 Tel.	7, Anglo-Russian negotiations. Refers to No. 194. M. Isvolsky no longer fears interference of third Powers. His attitude at Berlin satisfactory	141
198*	Sir C. Spring-Rice	..	330 Tel.	7, Health of Shah. Change for the worse. Russian doctor sleeps in Palace, and German specialist expected	142*
199	To Sir C. Spring-Rice	..	203 Tel.	7, Advance to Valiahd. Refers to No. 171. 50,000 <i>l.</i> will be placed to his order on death of Shah. Conditions as to security and interest same as for loans of 1903 and 1904	142
200	To Persian Transport Company	..	..	7, Karun navigation. Refers to No. 168. His Majesty's Minister at Tehran will be informed of their relations with the Mouin-el-Tejar	142
200*	Sir C. Spring-Rice	..	332 Tel.	8, Advance to Valiahd. Refers to No. 199. Inquires if he should concert with Russian Minister. Russian Bank at Tabreez has 30,000 <i>l.</i> in reserve for.. ..	142*
201	To Imperial Bank of Persia	Confidential	..	8, Loan to the Valiahd. Joint advance of 100,000 <i>l.</i> will be made with the Russian Government on the death of the Shah. The British portion will be held in readiness by the Accountant-General of the India Office for payment to them, to be held at the disposal of His Majesty's Minister	142
202	To India Office	..	..	8, Loan to the Valiahd. Transmits No. 197. A request for payment of 50,000 <i>l.</i> to the Imperial Bank will be made to them on the Shah's death	142
203	Imperial Bank of Persia	..	..	9, Advance to Valiahd. Refers to No. 201. Instructions have been sent to Manager in Tehran to hold 50,000 <i>l.</i> at disposal of His Majesty's Minister	143
204	Persian Transport Company	..	..	9, Bakhtiari Road. Necessity for a full report on. Suggest one of their officers should accompany Captain Lorimer in his inspection of the track	143
204A	Sir C. Spring-Rice	..	333 Tel.	10, Joint advance. Contract not yet signed. Mollahs raising objections to	144*
204B	" "	..	334 Tel.	10, Protection of Shiraz road. Danger of disturbances on death of Shah. Repeats telegram to Government of India	144*
204C	" "	..	335 Tel.	11, Protection of Shiraz road. No British subjects between Shiraz and the sea. Sending troops would entail expense and difficulty of transport	144*
205	Sir A. Nicolson	..	726	Oct. 31, Joint advance. Refers to No. 164. Transmits correspondence with M. Goubastoff relative to modifications in the contract ..	144

No.	Name.	No.	Date.	SUBJECT.	Page
206	Sir A. Nicolson ..	727	Oct. 31, 1906	Turco-Persian frontier dispute. Refers to No. 174. Transmits <i>aide-mémoire</i> from Russian Government stating arrangement arrived at between Russian and British Representatives at Constantinople relative to the form of mediation to be offered ..	145
207	" ..	735	Nov. 4,	Anglo-Russian negotiations. Conversation with M. Isvolsky, who fears opposition in the Cabinet, and apprehension of German interference may delay a settlement. Transmits letter from Military Attaché giving the views of the Chief of the General Staff ..	145
208	" ..	737	4,	Mesched-Seistan line. Transmits Memorandum to Russian Government giving reply of His Majesty's Government to their proposals ..	148
209	" ..	738 Confidential	5,	Attitude of Germany towards the Anglo-Russian negotiations. Conversation with German Ambassador, who declares Germany has no desire to place any obstacles in the way ..	150
210	" ..	745	7,	Attitude of Germany towards the Anglo-Russian negotiations. Has informed M. Isvolsky of his conversation with the German Ambassador. M. Isvolsky greatly relieved, and hopes to continue the negotiations without interruption ..	150
210*	Sir C. Spring-Rice ..	336 Tel.	12,	Mesched-Seistan telegraph line. Russian Minister proposes British should acquire Seistan-Robat link, and Tehran-Seistan line should be under joint control. Suggests acquiring monopoly of cypress forest ..	151*
211	India Office ..	..	12,	Mesched-Seistan line. Transmits telegram from Government of India concurring in attitude of His Majesty's Government regarding ..	151
211A	Sir C. Spring-Rice ..	337 Tel.	13,	Shiraz Governorship. Refers to No. 14. Shoa-es-Saltaneh removed from his post, and incapable official appointed. 2,000 persons have taken refuge in telegraph office. Has made unofficial protest ..	152*
211B	" ..	338 Tel.	13,	Joint advance. Contract not yet signed. National Assembly object to ..	152*
212	India Office ..	..	13,	Bahrein customs. Transmits correspondence between Government of India and Major Cox regarding the administration of. Sheikh refuses to lease them to Government of India ..	152
213	" ..	..	13,	Bahrein customs. Transmits telegram to Viceroy, dated 7th instant, relative to ..	155
214	Admiralty ..	Confidential	13,	Halul Island. Have no information as to political status of. Consider that its exposed situation would render it useless as a coaling station ..	155
215	Sir A. Nicolson ..	292 Tel.	14,	Joint advance. Refers to No. 204A. Minister for Foreign Affairs had heard of the opposition of the Mollahs to. He did not desire to press the money on the Persian Government ..	156

No.	Name.	No.	Date.	SUBJECT.	Page
216	Sir A. Nicolson ..	293 Tel.	Nov. 14, 1906	Mesched-Seistan line. Minister for Foreign Affairs hopes to give a reply to British proposals shortly ..	156
216*	Sir C. Spring-Rice ..	339 Tel.	14,	Joint advance. Popular movement against Shiraz. Approves action reported in No. 211A ..	156*
217	To Sir C. Spring-Rice	206 Tel.	14,	Shiraz. Approves action reported in No. 211A ..	156
218	India Office ..	..	14,	German flag at Bahrein. Transmits correspondence respecting refusal of Sheikh to grant request of German trader to fly ..	156
219	Sir C. Spring-Rice ..	340 Tel.	15,	Shiraz Governorship. Has sent in joint note with Russian Minister protesting against the proposed change ..	157
220	" ..	341 Tel.	15,	Joint advance. National Assembly, have asked for a week's delay before coming to a decision with regard to ..	158
221	" ..	342 Tel.	16,	Joint advance. Concurs in last paragraph of No. 215. Popular opposition increasing ..	158
222	To Persian Transport Company	..	16,	Bakhtiari road. Refers to No. 204. Their letter forwarded to Tehran for observations ..	158
223	To Sir A. Nicolson ..	521 Confidential	17,	Anglo-Russian negotiations. Refers to No. 207. Transmits draft Agreement for communication to Minister for Foreign Affairs ..	158
224	Sir A. Nicolson ..	295 Tel.	19,	Mesched-Seistan line. M. Isvolsky has asked M. Hartwig for information as to a joint control. He hopes to reply before long to British proposals ..	159
225	Sir C. Spring-Rice ..	343 Tel.	20,	Decoration for Valiahd. Concurs in arguments advanced in No. 7, and suggests reference to St. Petersburg ..	159
226	" ..	346 Tel.	22,	Joint advance. Minister of Finance states popular opposition is strong against. Objection based on mistrust of Persian Government ..	160
227	" ..	347 Tel.	22,	Governor-General of Fars. Ala-ed-Dowleh recalled in spite of joint representations. He will probably be succeeded by late Vizier of the Valiahd. Change due to Palace intrigue ..	160
228	To Sir C. Spring-Rice	174	23,	Reform movement at Tabreez. Refers to No. 152. Concurs in proposal to approve Mr. Wratislaw's action, and thank Mr. Stevens ..	160
229	" ..	175	23,	Decoration for Valiahd. Refers to No. 225. His Majesty's Government consider such a step inopportune, in view of state of Shah's health ..	160
230	Sir C. Spring-Rice ..	348 Tel.	25,	Joint advance. Popular opposition strong against. Shah is sinking rapidly. Intrigues of Court party ..	161
231	" ..	349 Tel.	25,	Health of Shah. Refers to No. 230. Shah has expressed his regret at having nominated Valiahd to succeed him ..	161
232	" ..	271	Oct. 22,	Messrs. Lynch's road. Difference between roads constructed in North and South Persia. Three possible solutions of the difficulty ..	161

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
233	Sir C. Spring-Rice ..	273	Oct. 23, 1906	New law relating to jurisdiction in civil and criminal cases in which foreigners are involved. Reasons why it is desirable that His Majesty's Government should not accept it	162
234	"	277	Nov. 7,	Karun irrigation. Refers to No. 93. Transmits note to Persian Government. Latter state they have no intention of granting a Concession to a foreign Company, as it would involve foreign interference in the Karun Valley. Moin-ut-Tujar wants Major Morton to act as adviser to a Persian Company	163
235	"	278	8	Robbery of Legation messenger. Transmits note to the Ala-es-Sultaneh informing of. Latter has sent urgent instructions for the recovery of the bags	163
236	"	279	8,	Nizam-ed-Dowleh. Transmits joint note from His Majesty's and United States Ministers, protesting against the appointment of the Nizam-ed-Dowleh to a post in Urmi	164
237	"	280	9,	Joint advance. Refers to No. 46. Negotiations resulting in the draft contract. Question of guarantees, rate of interest, &c. ..	166
238	"	281	9,	French Minister. Friendly attitude of ..	168
239	"	282	9,	Refugees in His Majesty's Legation and Consulates. Action taken to discourage Persians from taking "bast." Consequences have been disappointment of popular party and considerable loss of prestige	168
240	"	284	9,	Turco-Persian frontier. Transmits Memorandum by Colonel Douglas, with map ..	169
241	"	285	9,	Monthly summary. Transmits	170
242	Sir A. Nicolson ..	760	14,	Meshed-Seistan telegraph. Minister for Foreign Affairs states he cannot yet reply to proposals of His Majesty's Government, but is considering question of sanitary guards and cordons. Opinion as to intentions of Russian Government	175
243	"	761	15,	Joint advance. Opposition raised by the Mollahs to. M. Isvolsky trusts Persian Assembly will not prove troublesome, but considers Persian Government will not seek money elsewhere	176
244	"	769	19,	Meshed-Seistan line. M. Isvolsky denies that to replace the instruments as they were in June last would be a return to the <i>status quo</i> . He has promised to reply as soon as he has consulted the Departments concerned	177
245	"	773	20,	Joint advance. Refers to No. 237. Russian Government have always tacitly admitted customs of Southern Persia and Persian Gulf as guarantee for moiety advanced by His Majesty's Government, but not proposed Bunder Abias-Birjand line ..	177
246	Mr. G. Barclay ..	764	21,	Turco-Persian frontier. Persian Commissioner reported to have proposed Kandil Dagh as frontier, which has been rejected by Turkish Commission	178

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
247	Sir C. Spring-Rice ..	350 Tel.	Nov. 26, 1906	Meshed-Seistan line. Refers to No. 210*. Fresh Russian proposals. Russian Legation already applied for monopoly of cypress forest. Kuh-i-Malik-Siah extension	178
248	India Office ..	..	26,	Bahrein customs. Transmits telegram from Government of India, dated 17th, respecting	179
249	Sir A. Nicolson ..	239 Tel.	28,	Meshed-Seistan line. Minister for Foreign Affairs has suggested a compromise on lines of No. 247	179
250	"	300 Tel.	28,	Joint advance. Rumour that Persian Assembly have refused authority to accept it, and propose to establish a national bank. Minister for Foreign Affairs agrees that Persian Government should not be forced to accept advance	179
251	Mr. G. Barclay ..	211 Tel.	28,	Kerbela. Vali of Bagdad has been removed, and Porte has consented to a Mixed Commission of Inquiry	180
252	Sir C. Spring-Rice ..	353 Tel.	29,	Turco-Persian frontier dispute. Turkish Government have proposed Mosul as meeting place of Boundary Commission. Persian Government would prefer Soujboulak ..	180
253	Sir A. Nicolson ..	303 Tel.	30,	Meshed-Seistan line. Russian proposal for an arrangement	180
254	Sir C. Spring-Rice ..	354 Tel.	30,	Valiabd. Refers to No. 230. Shah has summoned Valiabd to Tehran. Court party said to come to terms with him ..	180
255	To Sir A. Nicolson ..	532 Secret	30,	Anglo-Russian negotiations. Conversation with Russian Chargé d'Affaires. Progress of. Questions of Dardanelles and Far East	181
256	Sir A. Nicolson ..	305 Tel.	Dec. 2,	Joint advance. Persian Prime Minister has expressed his willingness to sign loan contract without waiting for the Assembly to give its consent. M. Isvolsky wishes to learn views of His Majesty's Government	181
257	To Sir C. Spring-Rice ..	209 Tel.	3,	Meshed-Seistan line. Refers to No. 247. Russian Government have made a proposal in same sense	181
258	"	210 Tel.	4,	Joint advance. Refers to No. 256. Inquires his views on proposal to disregard opposition of Assembly	182
259	To Sir A. Nicolson ..	447 Tel.	4,	Joint advance. Refers to No. 256. Has telegraphed to Sir C. Spring-Rice for his observations ..	182
260	Sir C. Spring-Rice ..	356 Tel.	6,	Joint advance. Refers to No. 256. Advisability of making it without consent of the Assembly. Considers the two Legations should adopt a waiting attitude until circumstances force Persians to accept offer. Chief of Russian Bank in independent communication with Minister of Finance ..	182
261	"	357 Tel.	7,	Joint advance. Refers to No. 260. Assembly think they will be able to meet pressing needs, and have begun paying troops. They are opposed to foreign financial assistance	182

TABLE OF CONTENTS.

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
262	Memorandum by Mr. Parker	..	Dec. 8, 1906	Turco-Persian boundary question. Reviews history of question, 1833 to 1906 ..	183
263	To Sir A. Nicolson ..	450 Tel.	8,	Joint advance. His Majesty's Government share views expressed in No. 260 ..	203
264	Sir C. Spring-Rice ..	358 Tel.	9,	Payment of Persian troops. Is being met by public subscription. Cossacks are being paid separately. Advises an attitude of reserve ..	203
265	Sir A. Nicolson ..	792	Nov. 30,	Meshed-Seistan telegraph. Transmits <i>aide-mémoire</i> from Minister for Foreign Affairs, making proposals for arrangement of difficulty. Conversation with Minister for Foreign Affairs respecting maintenance of <i>status quo</i> . Thinks proposals preferable to return to <i>status quo ante</i> ..	203
266	" "	796	Dec. 2,	Joint advance. M. Isvolsky desires to learn views of His Majesty's Government as to desirability of making the loan without the consent of the Persian Assembly ..	204
267	" "	801	3,	Draft Agreement. Has handed it to M. Isvolsky, who fears it may be considered as a division of Persia, but will study it ..	205
268	" "	803	4,	Anglo-Russian negotiations. Conversation with German Ambassador regarding German attitude towards, and towards Russian Railway Concessions in North Persia. Attitude of Russian public opinion towards Bagdad Railway. Establishment of German bank in Persia ..	205
269	Mr. G. Barclay ..	785	4,	Turco-Persian frontier. Refers to No. 252. Persia has consented to the Commission's sitting at Mosul during the winter, and has proposed that it should delimitate the whole frontier line, to which the Porte has agreed ..	206
270	Sir C. Spring-Rice ..	359 Tel.	11,	Seistan riots. Persian Government willing to pay compensation and send Governor to apologize. They profess inability to expel Mollahs, and object to promising land, but would sell land to Consulate ..	207
271	" "	360 Tel.	12,	Valiabd. Has been supplied with money and arms by Russia, and is on his way to Tehran, accompanied by a Russian officer	207
272	" "	361 Tel.	12,	Arrival of Valiabd. On his way, accompanied by troops. Constitution still unsigned. Shah's health worse ..	207
273	" "	362 Tel.	12,	Joint advance. Popular opposition still undiminished, but internal loan cannot suffice ..	207
274	To Sir H. Howard ..	79	12,	Karun irrigation. Netherland Minister has expressed the hope that His Majesty's Government will consent to the scheme ..	208
275	Sir C. Spring-Rice ..	364 Tel.	13,	Health of Shah. Not expected to live through the night ..	208
276	Sir A. Nicolson ..	307 Tel.	15,	Joint advance. Russian Government agree as to desirability of not pressing advance on Persian Government, and consider Valiabd should be informed of ..	209
277	To India Office ..	..	15,	Seistan riots. Transmits No. 270. Suggests that Sir C. Spring-Rice should no longer insist on expulsion of ringleaders or free grant of land for Consular hospital ..	209

No.	Name.	No.	Date.	SUBJECT.	Page
278	India Office ..	..	Dec. 17, 1906	Meshed-Seistan line. Transmits telegram from Viceroy regarding points on which an understanding with Russian Government should be reached ..	209
279	Sir C. Spring-Rice ..	365 Tel.	17,	Arrival of Valiabd. Shah better. Shoa-es-Saltaneh wishes to take "bast" in His Majesty's Legation ..	210
280	To Sir C. Spring-Rice ..	213 Tel.	17,	Joint advance. Refers to No. 276. Requests his opinion on Russian proposal ..	210
281	To India Office ..	..	17,	Joint advance. Transmits No. 276. Requests their views on Russian proposal to furnish advance without consent of Assembly, and to inform Valiabd..	211
282	Sir F. Bertie ..	514 Confidential	16,	Prince Malcom Khan. Views of, on general situation. Looks to His Majesty's Government to save Persia from ruin. German influence at Tehran ..	211
283	Sir C. Spring-Rice ..	366 Tel.	18,	Health of Shah. Improvement in ..	212
284	" "	367 Tel.	18,	Joint advance. Refers to No. 276. With regard to question of withdrawing offer and informing Valiabd, considers the attitude of reserve should be maintained by both Legations ..	212
285	India Office ..	..	19,	Meshed-Seistan telegraph. Transmits telegram from Viceroy. Average number of telegrams passing monthly on ..	212
286	Sir A. Nicolson ..	311 Tel.	19,	Joint advance. Refers to No. 276. Minister for Foreign Affairs has instructed Russian Minister at Tehran to act in harmony with Sir C. Spring-Rice ..	213
287	Sir C. Spring-Rice ..	368 Tel.	19,	Joint advance. Instructions to Russian Minister probably emanated from the Finance Department. Sadr-i-Azam has not yet made formal demands. Communication to Valiabd inopportune ..	213
288	" "	369 Tel.	20,	Rumoured Russo-German agreement about Persia. German Legation have received a cypher despatch ..	213
289	" "	370 Tel.	19,	Russian Legation. Accommodation being made for twenty Cossacks ..	213
290	To Sir C. Spring-Rice ..	214 Tel.	20,	Joint advance. Refers to No. 284. Russian Government have been informed that His Majesty's Government concur in this ..	214
291	To Sir A. Nicolson ..	457 Tel.	20,	Joint advance. Refers to No. 284. May inform Russian Government that His Majesty's Government concur ..	214
292	To India Office ..	..	20,	Joint advance. Transmits No. 284 for their observations ..	214
293	India Office ..	..	20,	Joint advance. Concurs in No. 292 ..	214
294	Sir A. Nicolson ..	312 Tel.	22,	Rumoured Russo-German arrangement. Refers to No. 288. Does not believe in, but will make inquiries ..	215
295	Sir C. Spring-Rice ..	373 Tel.	22,	Joint advance. Refers to No. 286. Action of Russian Minister. Russian Financial Agent has had an audience with Valiabd. If popular objection is strong, Sadr-i-Azam will not ask for advance ..	215

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
296	Sir A. Nicolson ..	313 Tel.	Dec. 23, 1906	Joint advance. Refers to No. 291. Minister for Foreign Affairs has telegraphed to Russian Minister at Tehran to act in harmony with his British colleague ..	215
297	Sir C. Spring-Rice ..	374 Tel.	23,	Meshed-Seistan line. No trees fit for telegraph poles are to be found south of Birjand. One wire is sufficient for the traffic. Russian officer inspects line once a year. Communication can always be cut off by the Russians ..	215
298	" "	375 Tel.	23,	Seistan escort. Government of India are sending ten sowars as increase of ..	216
299	" "	286	Nov. 10,	Persian Minister in London. Appointment of the Mohtashem-es-Sultaneh ..	216
300	" "	288	Dec. 3,	Russian and British trade with Persia. Transmits statement of accounts of Enzelli-Tehran Road Company. Assistance given by Russian Government to their trade. Suggestions for support of British trade.. ..	216
301	" "	289 Confidential	4,	Diplomatic corps at Tehran. Reports on ..	218
302	" "	290	4,	Loan. Course of negotiations with Persian Government. Attitude of the Assembly. Financial deadlock. Attitude of neutrality observed by the Legations ..	219
303	" "	291	4,	Internal situation. Reports on the principal persons in Persia	220
304	" "	292	6,	Meshed-Seistan telegraph line. Recapitulates Russo-Persian negotiations respecting ..	222
305	" "	293	6,	Russian Legation's attitude towards popular movement. Observations on	223
306	" "	294 Secret	6,	Loan. Recapitulates history of negotiations in last six months	224
307	" "	295	6,	Relations between Turkey and Persia. Boundary question and Kerbela incident. Have increased antagonism of Shiite Persians to Sunnites. Aggressive designs of the Sultan ..	225
308	" "	297	6,	Appointment of Nizam-ed-Dowleh to Governorship of Urmia. Refers to No. 236. Transmits note from Ala-es-Sultaneh, stating that Nizam had been appointed to Soujboulak. Probable eventual Governor of Urmia. Recapitulates circumstances ..	227
309	" "	298	7,	Monthly summary of events from 8th November to 6th December. Transmits ..	227
310	" "	33 Commercial	Nov. 27,	Mr. Newcomen's Trade Report. Transmits Memorandum from His Majesty's Consul-General at Bushire and despatch from His Majesty's Consul at Bunder Abbas, commenting on	237
311	Sir A. Nicolson ..	821	Dec. 16,	Advance. Has written to Minister for Foreign Affairs, stating views of His Majesty's Government as to making. Transmits reply. Transmits further letter to Minister for Foreign Affairs asking that Russian Minister should not carry out instructions without previous agreement with Sir C. Spring-Rice, and his reply assenting	240

No.	Name.	No.	Date.	SUBJECT.	Page
312	Sir C. Spring-Rice ..	376 Tel.	Dec. 26, 1906	Joint advance. Popular feeling still strong against, but financial pressure may force Persian Government to apply. To avoid odium being thrown on Great Britain and Russia, the two Governments might notify withdrawal of their offer	242
313	" "	377 Tel.	26,	Persian succession. Shah has expressed predilection for Valiagh's eldest son as future heir. Valiagh himself intends to nominate his second son. Desirable that Great Britain and Russia should recognize Prince designated by the Valiagh, and follow precedents	242
314	Sir A. Nicolson ..	830	22,	Joint advance. Transmits copy of letter to Minister for Foreign Affairs regarding the attitude to be adopted by the two Legations in regard to	243
315	To India Office ..	..	27,	Advance. Transmits No. 313. Proposes to ask views of Russian Government on proposal to withdraw offer of, informing them that His Majesty's Government are prepared to approve this course	243
316	" "	..	27,	Persian succession. Transmits No. 313. Proposes to recognize as heir the Prince designated by Valiagh on his accession ..	243
317	Sir A. Nicolson ..	832	24,	Joint advance. Refers to No. 314. Transmits letter from Minister for Foreign Affairs stating he has instructed Russian Minister at Tehran to act in harmony with Sir C. Spring-Rice	244
318	" "	315 Tel.	28,	Joint advance. Proposed withdrawal of offer	244
319	Sir C. Spring-Rice ..	379 Tel.	28,	Joint advance. Withdrawal of offer, if definitely announced, might give excuse to Persian Government to apply elsewhere ..	244
320	" "	380 Tel. Secret	29,	Joint advance. Russian object in suggesting withdrawal of offer may be to take separate action with Valiagh, whom they regard as their creature	245
321	" "	381 Tel.	29,	Joint advance. Valiagh has accepted principle of financial control by the Assembly. Offer can therefore be left open ..	245
322	To Sir A. Nicolson ..	463 Tel.	29,	Joint advance. His Majesty's Government prepared to withdraw offer if Russian Government agree to do so	245
323	Sir A. Nicolson ..	316 Tel.	30,	Persian succession. Minister for Foreign Affairs states he desires to act in agreement with His Majesty's Government ..	245
324	" "	317 Tel.	30,	Joint advance. Proposes not to initiate question of withdrawal of offer	246
325	India Office ..	..	29,	Persian succession. Concur in proposal to recognize as Valiagh the Prince so designated by the new Shah	246
326	Sir C. Spring-Rice ..	382 Tel.	31,	Persian succession. Russian Minister desires to know whether His Majesty's Government agree to recognize Prince designated by Valiagh	246
327	" "	383 Tel.	31,	Seistan escort. Repeats telegram to Government of India suggesting matters had better be left as they are for the present, to avoid misunderstanding	246

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
328	Sir C. Spring-Rice ..	384 Tel.	Dec. 31, 1906	Karun irrigation scheme. Netherland Minister urges that Persian Government and Sheikh both favour it ..	247
329	To Sir C. Spring-Rice	220 Tel.	31,	Persian succession. He may act as suggested in No. 327 ..	247
330	" "	221 Tel.	31,	Seistan escort. Refers to No. 327. No change in <i>status quo</i> is in question ..	247

ERRATA.

Page 54, No. 51, line 3. For "Mr. Grant Duff's telegrams" read "Sir C. Spring-Rice's telegrams".
 Page 202, No. 262, line 9. For "Ottoman Commission" read "Ottoman Commissioner".
 Page 211, No. 281, heading. For "Indian Officer" read "India Office".

[These two telegrams should have appeared in their places in Part VII.]

[31209]

No. 1.

Sir A. Nicolson to Sir Edward Grey.—(Received September 14.)

(No. 221.)
 (Telegraphic.) P.

PERSIAN loan.

My telegram No. 220 of this morning.

St. Petersburg, September 14, 1906.

(Most confidential.)

I am under the impression that M. Isvolsky will make no difficulty as to giving his assent to the conditions that we have proposed, but that he is afraid that matters may be delayed by them. As Germany is apparently interested in assisting Persia financially, I doubt if he would be disposed to bring pressure to bear on the Persian Government to induce them to refuse all other aid, and to apply to us and to Russia alone for assistance. I think that he would like to see the joint advance an accomplished fact before the Delegate of the German bank arrives in Tehran; he would then be able to explain that Persia in the first instance applied to Russia and England, and that her wishes for an advance had been complied with by them. I am inclined to doubt whether he would exercise active pressure on the Persian Government to refuse any offer from Germany were the question to be open when the German Delegate arrived.

My first impressions are these, but when I have discussed the matter further with M. Isvolsky I may have to alter them. I am to see his Excellency again on Monday, the 17th instant, and I may find that his views have altered, as he will have had opportunities of consulting others.

[31533]

No. 2.

Sir A. Nicolson to Sir Edward Grey.—(Received September 17.)

(No. 225. Secret.)
 (Telegraphic.) P.

PERSIAN loan.

St. Petersburg, September 17, 1906.

With reference to my immediately preceding telegram No. 224 of this morning's date, I was informed by M. Isvolsky that his own views were in favour of the line from Bunder Abbas to Birjand, which I had submitted to him. It would, however, be necessary to submit the proposal to the Emperor and his colleagues in the Ministry. He said that it was to be anticipated that some objections might be raised to the line on their part, but that he would combat them. We were, he said, opening up the whole Persian question as to which he had no complaint to make, but, on the contrary, considered that we should as soon as possible agree to a delimitation of our respective spheres of influence in that country. In a day or two he was in hopes that he would be able to give me the opinion of his colleagues and of the Emperor, but, in the meantime, he begged me not to telegraph on the subject officially. He hinted that access to some part of the Gulf would be necessary in the Russian sphere, and I on my part hinted that I did not think that an insuperable difficulty would be presented by this requirement on the part of Russia.

CONFIDENTIAL.

Further Correspondence respecting the Affairs of Persia.

PART VIII.

No. 1.

[32986]

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 217. Secret.)

Gulahek, September 8, 1906.

Sir,

WITH reference to my telegram No. 230, Secret, of the 4th instant I have the honour to inclose translation of correspondence, the originals of which I have seen, between the Governor of Kermanshah and the Persian Government regarding recent events at His Majesty's Legation.

The letter from M. Nikolsky, the Russian Consul at Kermanshah, furnishes documentary proof that M. Hartwig deliberately used the incidents of last month to further Russian interests in the provinces.

As regards the telegram purporting to have been addressed to the "bastis" by His Majesty the King, I have the honour to report that during their presence at the Legation last month the leaders of the people inquired whether I would forward a telegram to His Majesty. I declined to have anything to do with the matter, and strongly advised them not to send such a communication. I understand that they did ultimately telegraph, and probably forged a reply for their own purposes.

I hear that a similar telegram was published in the St. Petersburg newspapers on the 22nd August, with the following comment:—

"In spite of the solemn declaration on the part of the English Legation that the telegram is perfectly authentic, it is generally believed here that the King of England would not have entered into relations with the rebels. Anyhow, the Government is much annoyed that such rumours are spread about, the more so as the copies of the telegram are being distributed all over Persia."

I took occasion yesterday to mention the matter to the Russian Minister, who said that he did not attach any importance to such reports. This may be so, but it is believed in several well-informed quarters here that the St. Petersburg Telegraph Agency is directly inspired by the Russian Legation here. I strongly suspect that this is the case.

I have, &c.

(Signed) EVELYN GRANT DUFF.

Inclosure 1 in No. 1.

Governor of Kermanshah to the Grand Vizier.

(Translation.)

August 13, 1906.

SOME days ago M. Nikolsky, the Russian Consul, called on me and stated that he had received a telegram from the Russian Legation saying that they had specially interceded with the Persian Government with the object of redressing the affairs of the clergy; that, fortunately, their representations had been favourably received, and that

[1682]

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the clergy were returning from Kum. The telegram added that this information could be made public. I verbally thanked him, and asked for a translation of the telegram, which I duly received and inclose herewith.

I also inclose a copy of a telegram sent by His Majesty the King of England to the refugees at the British Legation, copies of which have been sent to Kermanshah, and widely distributed among the people.

Inclosure 2 in No. 1.

M. Nikolsky to Governor of Kermanshah.

(Translation.) 19 Jemadi-us-Sani, 1324 (July 28 (August 10), 1906).

I CALLED on you yesterday and mentioned a telegram received by me from the Russian Legation. The following is a translation of that telegram which you asked me for:—

"The Russian Legation having interceded with the Imperial Persian Court with regard to certain requirements which they knew to be just of the wise men of Tehran, and having been gratified by an acceptance [of their intercession], the clergy of Tehran, who left for Kum, have returned, and it is apparent that, after their return, the persons who were in refuge at the British Legation will of course come out. Therefore you will inform any one you think necessary of the service which the Imperial Legation has rendered to the Persian nation and State."

(Signed) NIKOLSKY.

Inclosure 3 in No. 1.

King of Great Britain and Emperor of India to all the Religious Students, Merchants, and Shopkeepers of Tehran.

(Telegraphic.)

WE have received the telegram complaining of oppression to our dear brothers, which was sent to us on Wednesday, 25th July, through our trusty Ambassador.

We truly feel sincere sorrow for the oppression suffered by the reverend spiritual leaders and the whole populace.

We have referred for an answer to your Petitions to the Assemblies of Justice and Parliament. We hope that our wise and powerful brother His Majesty Muzaffer-ed-Din, the Kajar Shah, will, at our personal request and in justice, in order to prevent oppression, himself command his trusty subjects to form a Parliament like that of England.

Afternoon of Wednesday, 25th July, at the Summer Castle, to the Persian nation.

32987]

No. 2.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 218.)

Sir,

I HAVE the honour to transmit herewith copy of a despatch from His Majesty's Consul-General at Tabreez, reporting the attitude of the Russian Consul-General at Tabreez regarding the successes recently obtained by the reform party in Tehran.

In the light of the proof furnished in my despatch No. 217 of to-day's date, I venture to think that there is no doubt that M. Pokhitonov acted under orders received from the Russian Minister.

I have, &c.

(Signed) EVELYN GRANT DUFF.

Inclosure in No. 2.

Consul-General Wratislaw to Mr. E. Grant Duff.

(No. 45.)

Sir,

Tabreez, August 13, 1906.
I HAVE the honour to confirm my telegram No. 71 of the 9th instant, reporting that rumours had been set afloat here to the effect that the recent successes obtained by the clerico-popular party at Tehran were due to Russian intervention, and that all further negotiations between the Shah and his people would be carried on through the Russian Legation.

These rumours were first started by the Tajir Bashi of the Russian Consulate-General, who gave the Consul-General as his authority, but the latter subsequently entered the arena in person, and, while indorsing the above assertions, offered his services to our Chief Mujtehid, Mirza Hassan Agha, and another eminent ecclesiastic, Sikat-el-Islam, in case they had any communication to make to the Shah through the Russian Legation.

M. Pokhitonov also gave the same information to the Valiabd, who, if His Imperial Highness' account is to be trusted, treated it with ridicule. Indeed, this puerile attempt to restore the rapidly waning influence of Russia seems to have met with no success in any quarter that I know of, and it has hardly been necessary for me to contradict mendacious statements which no one was inclined to believe.

I have, &c.

(Signed) A. C. WRATISLAW.

[32988]

No. 3.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 219.)

Sir,

Gulahek, September 8, 1906.
I HAVE the honour to transmit herewith copy of a despatch from His Majesty's Consul-General at Tabreez, from which it would appear that the state of the Turco-Persian frontier in Azerbaijan is becoming worse.

I have, &c.

(Signed) EVELYN GRANT DUFF.

Inclosure in No. 3.

Consul-General Wratislaw to Mr. E. Grant Duff.

(No. 43.)

Sir,

Tabreez, August 9, 1906.
WITH reference to my despatch No. 35 of the 9th July I have the honour to report that the state of the frontier districts is becoming rapidly worse. Three weeks ago the Khoi post was robbed, and the two Gholams in charge of it were killed. The perpetrators of this outrage were the irregular horsemen from Karadagh employed by the Government to patrol the road, who have since been arrested.

Last week a caravan was held up in the district of Salmas by Kurds belonging to the tribe of the late Jaafer Agha, and three horsemen escorting it were killed, as well as six private individuals.

The immediate neighbourhood of Urmi, which for some time enjoyed immunity, is now becoming dangerous, and I have heard of several crimes recently committed there by Kurds.

I have, &c.

(Signed) A. C. WRATISLAW.

[32989]

No. 4.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 220.)

Gulahek, September 8, 1906.

Sir,

M. DE STURLER, the Netherlands Minister, recently spoke to me on more than one occasion regarding the various proposals which have been made for undertaking irrigation works on a large scale on the River Karun.

I told M. de Sturler that some time had elapsed since I had heard anything of the matter, which, I believed, was still engaging the attention of His Majesty's Government.

M. de Sturler inquired whether I thought His Majesty's Government would oppose the formation in Holland of an international Company under Dutch direction for the exploitation of the Karun district in the neighbourhood of Ahwaz.

I replied that I did not know what view His Majesty's Government would take of such an undertaking, but if he would address a note to me giving exact details with regard to the proposed enterprise, I would lay them before you. I thought, at the same time, that His Majesty's Government would not view with satisfaction the establishment on the Karun of a powerful Company in which Russian or German influence would be preponderating.

I have the honour to transmit herewith a copy of M. de Sturler's communication, and to request that I may be instructed as to what reply, if any, I should return.

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure 1 in No. 4.

M. de Sturler to Mr. E. Grant Duff.

Légation Royale des Pays-Bas, Téhéran,
le 25 Août, 1906.

M. le Chargé d'Affaires,

PERMETTEZ-MOI de vous présenter mes excuses de ne pas avoir envoyé les données sur l'affaire d'Ahwaz avant votre départ pour Lahr.

Je regrette beaucoup que M. van Roggen, qui m'avait promis ces données, n'a pas pu les préparer à temps, à cause de ses occupations à d'autres travaux.

Vous verrez du document ci-joint que l'idée est de former une Société internationale pour éviter la prépondérance d'une nation à une autre; et pour donner un caractère neutre à l'entreprise je me propose d'établir le siège et la direction en Hollande, et de placer l'entreprise sous la juridiction Hollandaise.

Je n'ai aucun autre but avec l'entreprise que de procurer un débouché à l'industrie nationale Hollandaise pour la livraison d'une partie du matériel pour laquelle la Hollande est incontestablement une spécialité, comme, par exemple, le matériel de dragage et les matériaux et constructions hydrauliques. Ainsi le personnel, qui s'occupera de ces détails, serait de nationalité Hollandaise. Il restera donc encore beaucoup pour l'industrie d'autre pays à fournir.

En ce qui concerne la capitale, je me propose d'ouvrir la souscription à Amsterdam, en admettant la possibilité de la participation de la part de toutes les nations, qui s'y intéressent. Cette mesure est, à mon opinion, nécessaire pour épargner la susceptibilité d'autres nations intéressées dans la Perse, tout en admettant une concurrence loyale.

Il me paraît que la maison Lynch Bros. de Londres profitera en premier lieu de l'entreprise, à cause du transport des grains, des quantités des machines, &c., pour la construction, et des produits de l'exploitation.

Aussi les Compagnies Anglaises de Vapeur auront un grand intérêt dans la réussite de l'entreprise pour la même raison que la Compagnie de Lynch Bros.

Il va sans dire que, conformément au principe de la "porte ouverte," qui a dans l'Angleterre, aussi en Hollande, un si puissant défenseur, la participation dans les avantages de l'entreprise sera ouverte à tout le monde, tant qu'on reste dans les limites d'une concurrence loyale, et je ne doute pas qu'à titre égal les Compagnies Anglaises sauront obtenir la préférence.

En terminant, je remarque que, pendant les premières conversations que j'ai eu avec vous, au début de l'affaire, vous m'avez exprimé le désir que la Russie ne participerait pas, et le même critérium a été posé par cette nation envers vous.

Si, par conséquent, je ne vous ai pas demandé conseil, c'est pour remplir le double désir de l'Angleterre et de la Russie à ce sujet.

J'espère que ces explications vous satisferont, et que sur ces bases il me sera donné de continuer les délibérations pour savoir si je puis compter sur votre appui pour mener à bonne fin l'entreprise, qui sera d'intérêt international et qui portera un caractère purement commercial et industriel.

Veuillez, &c.
(Signé) G. E. DE STURLER.

Inclosure 2 in No. 4.

Project respecting Ahwaz Undertaking.

ARTICLE 1^e. Il sera formé une Société Agricole, Commerciale, et Industrielle pour l'exploitation des terrains aux alentours du village d'Ahwaz.

Art. 2. Tout but politique est absolument exclu.

Art. 3. La Société aura la Concession pour la dite entreprise durant quatre-vingt ans.

Art. 4. Le siège social sera en Hollande, et la Société sera placée sous la juridiction Hollandaise.

Art. 5. Il s'ensuit de l'Article précédent que le Directeur-Général, le Président Commissaire du Conseil de l'Administration, et le Directeur technique à Ahwaz seront de nationalité Hollandaise.

Art. 6. Le Délégué à Téhéran sera par préférence de nationalité Hollandaise.

Art. 7. Le personnel à Ahwaz sera autant que possible international.

Art. 8. Les ouvriers seront par préférence des sujets Persans.

Art. 9. La souscription du capital est un point à établir, mais il était convenu avec le Grand Vizir que la Perse prendra part pour 20 pour cent et la Hollande pour 40 pour cent du capital social.

Le lieu de souscription sera Amsterdam.

Art. 10. Le capital est estimé à 35,000,000 fr., dont—

	Moutant.
	Fr.
Pour la construction et fonds roulant ..	25,000,000
Avance au Gouvernement Persan ..	5,000,000
Frais d'émission ..	4,000,000
Fonds de réserve ..	1,000,000
Total ..	35,000,000

Art. 11. Le Gouvernement Persan recevra des redevances de la Société à partir de la fin de la cinquième année, qui serviront pendant les premières années comme amortissement de l'avance faite par la Société à la signature de la Convention.

[32990]

No. 5.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 221.)

Sir,

I HAVE the honour to inclose a translation of a Concession granted last month by His Majesty the Shah to Egbal-es-Sultaneh and Haji Shuja Pasha Khan Makoui, for a road from Shah Takhti on the Perso-Russian frontier of Azerbaijan to Urmia.

This road is 152 miles long, and the Concession will be held by the Persian subjects named and their heirs for seventy solar years from the date of signature. The concessionnaires may not transfer their Concession to a foreign subject. After the lapse of seventy years the road will belong to the State. The workmen employed on the road must be Persian subjects, but permission is given to the concessionnaires to appoint a foreign engineer.

I have the honour to inclose a map of the road together with a brief Memorandum* regarding the previous history of the two concessionnaires.

I have, &c.

(Signed) EVELYN GRANT DUFF.

Inclosure 1 in No. 5.

Concession for Road from the beginning of the Shah Takhti Road to Urmia.

(Translation.)

HIS Imperial Majesty the Shah has accorded the Concession for the making of a chaussée from the beginning of the Shah Takhti road to Urmia, the whole of which distance is 38 farsakhs, in accordance with the following details, to his Excellency Egbal-es-Sultaneh and Haji Shuja Pasha Khan Makoui:—

From Shah Takhti to Chaharbareh, 10 farsakhs.
From Chaharbareh to Khoi, 8 farsakhs.
From Khoi to Salmas, 8 farsakhs.
From Salmas to Urmia, 12 farsakhs.

His Majesty promises the utmost support in the fulfilment of the conditions of the Concession.

Article 1. The Concession for this road will be held by Egbal-es-Sultaneh and Haji Shuja Pasha Khan and their heirs for the period of seventy solar years from the date of the signing of the Concession, and the concessionnaires will in no way whatever have the right to transfer the Concession to foreign subjects, or to admit foreign subjects into partnership in the Concession. Should one of the concessionnaires become a foreign subject he will lose his right to participate in this Concession, and the same holds good with regard to the heirs of the concessionnaires.

Art. 2. Wherever the road from Shah Takhti to its termination traverses the plain it will be at least 10 zars (broad), and on each side there will be a ditch 1 zar broad and $\frac{1}{2}$ zar in depth. Wherever the road traverses the mountains it will be at least 8 zars broad, and on the precipice side there will be a barrier, made of stone, mud, and mortar, $\frac{1}{2}$ zar broad, and $\frac{3}{4}$ zar in height. Wherever there are natural obstacles the concessionnaires are at liberty to make the road narrower at their own discretion, on the condition that they do not make it so narrow that two carriages cannot cross with ease. Furthermore whenever there is no earth the chaussée will be made with stones and shingle in order to prevent the formation of mud during traffic. The concessionnaires will build strong bridges of stone, mud, and mortar over the rivers or canals which exist for the irrigation of cultivations along the road; but streams and canals which are necessary to land-owners and are constructed after the opening of the road, must be bridged with the knowledge of the land-owners, and the cost of the same will be certified by an expert and will be payable by the land-owners.

Art. 3. The land, should it belong to Government, necessary for the halting-places, for the quarters of the guards, and for rest-houses on the whole of the road, will be provided by Government free of charge; but should the land belong to private owners, the Government will assist the concessionnaires to buy as much as necessary at market prices with the assistance of an expert. The lands for the road, the halting-places, the rest-houses, and the guard-houses, must not be more than absolutely necessary.

Art. 4. The machinery necessary for building the road, the halting-places, the rest-houses, and which are imported from abroad, will be allowed to enter free of duty only so far as they are necessary for the road. Whatever is outside the strictly necessary will come under the heading of merchandize, and will pay the usual customs duties.

Art. 5. The concessionnaires will have to begin building the above roads within a year of the date of signature of the Concession, and must terminate the above roads within three years, and if not terminated within that period the Concession will be null and void.

Art. 6. The tolls leviable on the road will be the same as those levied on the road from Resht to Kazvin, and will be stated in the Concession.

* This will be sent later.—E. G. D.

Art. 7. Should the Persian Government desire to build a railway along this road it will be intrusted under conditions to the concessionnaires; but should the Government not wish to give the Railway Concession to the present concessionnaires, whoever has the Railway Concession will have to indemnify the present concessionnaires for the expenses of the chaussée and damages.

Art. 8. The concessionnaires undertake, on the completion of the road, to give an account of its cost to the Government, in accordance with their account-books. Whenever the net profits of the road exceed 12 per cent., the concessionnaires will pay into the Imperial Treasury 20 per cent. of such excess of profit.

Art. 9. Government officials, military and civil, Government troops, and Government transport will not be charged toll on the road.

Art. 10. This road will belong to the concessionnaires for seventy solar years, after which it will belong to the State. If, after that period, the Government should wish to let it to another Company, the concessionnaires will have priority on the same conditions.

Art. 11. Persons residing along the road will have the right to use it, or to transport supplies on it, for 2 farsakhs (8 miles) free of toll.

Art. 12. Half the ordinary toll will be levied on the Government posts.

Art. 13. Four-footed animals or wheeled traffic crossing the road will not pay duty.

Art. 14. Tolls will not be levied on flocks of sheep.

Art. 15. The Governor and other Government officials will receive strict orders not to refuse to give their assistance and support in the furtherance of the undertaking and to lend their co-operation.

Art. 16. The road workmen must all be Persians and subjects of the Imperial Government. Permission is only given for the appointment of a foreign engineer by the concessionnaires.

Art. 17. The concessionnaires are permitted to erect telephones at the stations for facility's sake on the road and for the movements of travellers, but such a telephone must only be used for affairs concerning the road, and they have not the right to send messages for other people from one place to another.

Art. 18. No Concession will be given to other persons within a distance of 2 farsakhs (8 miles) from this road, for the construction of a road between the above-mentioned places.

(In the Shah's writing): This Concession is correct.

Month of Jemadi-us-Sani 1324 (August 1906).

This Concession, which has received the Royal approval, has been entered in the registers of the Foreign Office and is correct.

Month of Jemadi-us-Sani 1324 (August 1906).

Inclosure 2 in No. 5.

Map to illustrate Concession for Route from Shah Takhti to Urmia.

[Not printed.]

[32991]

No. 6.

(No. 222.) *Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)*
Sir,

I HAVE the honour to forward herewith a translation of a note from the Persian Government, complaining of the entry into Seistan of a caravan conveying certain arms and ammunition destined for His Majesty's Consulates at Meshed and Nasratabad.

I also inclose the reply which I returned to the Mushir-ed-Dowleh's communication, in accordance with the instructions contained in your telegram No. 116 of the 21st ultimo.

As I have already had the honour to report in my telegram No. 228 of the

Gulahek, September 10, 1906.

1st instant, His Majesty's Consul in Seistan states that it is untrue that the officer in charge of the caravan threatened to fire on the Persian Customs officials, or that the latter were beaten.

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure 1 in No. 6.

Grand Vizier to Mr. E. Grant Duff.

August 20, 1906.

ACCORDING to the report received from the Ministry of the Customs (copy of which is herewith inclosed) on the 5th instant, 16 armed Indian soldiers, with a convoy consisting of 36 camels and 12 drivers, entered Persian territory. They refused to allow the cases which were closed to be examined by the Customs officials at Kuh-i-Malik-Siah, and threatened to fire on them. The officer in charge of the customs informed the British Vice-Consul at Kuh-i-Malik-Siah, who replied that by the instructions of the British Consul in Seistan he could not accept the representations made by the Persian Customs officials, and that he would not allow the cases to be examined. The cases were then taken to Hermuch Lutak and thence to Seistan by an unfrequented road. At every place the Customs officials were prevented from inspecting the cases, and were threatened with firing on them. At Seistan the Customs employés were beaten and sent back by force, and the cases taken to the British Consulate.

I consider it necessary to bring this untoward but important incident to your notice, and I have no doubt that you will share my surprise at this action of British officials, which is inconsistent with the friendly relations between our respective Governments, and contrary to the rights of the Persian Customs. You will instruct the proper authorities not to prevent the Customs officials from inspecting the cases, and you will inform me of the reasons of this unexpected action on the part of British officials, and also how the persons responsible for this action will be reprimanded.

Inclosure 2 in No. 6.

Mr. E. Grant Duff to Mushir-ed-Dowleh.

August 23, 1906.

I HAD the honour to receive your note of the 20th instant, complaining of the importation into Seistan, via Kuh-i-Malik-Siah, of a number of cases under a guard of British Indian soldiers.

As your Highness is aware, within the last six months His Majesty's Consulate in Seistan has on two separate occasions been attacked by the populace of Nasratabad. On the first occasion the dispensary belonging to the Consulate was wrecked, and His Majesty's Consul and other members of his staff were stoned by Persian subjects.

No adequate satisfaction has hitherto been given by the Persian Government for these attacks, and the principal offenders are, as far as I am aware, still at large and unpunished.

I am now instructed by His Majesty's Government to inform your Highness, in reply to your communication, that the cases referred to contained arms and ammunition necessary for the protection of His Majesty's Consulate.

[32992]

No. 7.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 223. Confidential.)
Sir,

I HAVE the honour to inclose the copy of a private letter which I have received from His Majesty's Consul-General at Tabreez, urging the importance of some mark of attention being bestowed by His Majesty's Government on the Valiahd.

I am inclined to agree with Mr. Wratislaw's views for the following reasons:—

1. The Shah has now added dropsy to his other ailments. His health has lately again been giving cause for anxiety. His physicians, Dr. Schneider and Dr. Lindley,

concur that His Majesty cannot live long. In these circumstances, is it prudent to ignore his successor?

2. The Valiahd's own statement that his position as Governor-General of a province marching with the Caucasus obliges him to keep on specially good terms with Russia is undoubtedly true. He would otherwise be in continual hot water, and would not be supported by the Central Government.

3. There is no doubt that, whatever may have been His Imperial Highness' former sentiments, he has been trying to hedge since the disaster which befell Russia in her war with Japan.

4. He is grateful for the action of His Majesty's Legation as regards the Shua-es-Saltaneh, whom he fears and hates as a rival. He is also pleased at being able to obtain reliable information through His Majesty's Consul-General regarding the Shah's health. There is no doubt that his feeling towards us has changed for the better, and might easily be still further improved.

5. As Mr. Wratislaw says, a minor decoration now given might make it easier later on to prevent the question of the Garter being raised. Most of the principal European Sovereigns have bestowed orders on the Valiahd, and it is difficult for Persians to understand why he should be ignored by England alone.

6. The approaching arrival of a new British Minister would seem to offer a favourable occasion for some attention to the Persian heir apparent, who will no doubt become more influential as the Shah approaches his end. As the Emperor of Russia not long ago gave His Imperial Highness the Order of St. Andrew, the bestowal of a decoration by His Majesty the King should not in any way wound Russian susceptibilities.

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure in No. 7.

Consul-General Wratislaw to Mr. E. Grant Duff.

(Confidential.)

Dear Grant Duff,

Tabreez, August 20, 1906.
I MUST apologize for yet another effusion on the subject of the Valiahd, but Mirza Hussein Khan has just reported to me another long conversation with His Imperial Highness, which I think I ought to pass on with some comments of my own at the risk even of completely nauseating you.

Mirza Hussein Khan is, as you know, the son of Nizam-es-Saltaneh, our Governor-General, and from his Harrow education and the fact that his father owns important properties in our sphere (near Mohammerah) he is entirely on our side. The Valiahd makes use of him for private messages to me, and I do the same if I have anything special to communicate to the Valiahd and do not think it advisable to call in person.

Hussein's account of the conversation is as follows:—

"I had a long conversation with the Valiahd about his English policy. He expressed his opinion very frankly, said he had been intensely annoyed over the Labaree business and at the fine imposed on him. [This means the indemnity paid to the Labaree family, which I have quite failed to convince the Valiahd was a United States' job.—A. C. W.] At last he confessed that as long as he is in Azerbaijan he cannot show a more English tendency. He has so much business to transact with the Russians that for the sake of a quiet life he is obliged to keep on the right side of them. Had he been Governor of a southern province, he would have been on the same footing with you. Later on he hoped to be able to show his sentiments more freely. He complained that your Government did not realize his position. The Persian Government's policy obliged him to adopt this course. He said that had he had a meeting with Hardinge he would have proved to him that he should have had nothing against me [sic] in the Labaree case. Why should they consent to his being fined? N.B.—I hardly understand this, as the "fine" was inflicted after Sir A. Hardinge's visit to Tabreez.—A. C. W.] He thanked me for establishing an understanding with the British Government."

Hussein goes on to say that the Valiahd constantly harps on His Majesty ignoring him when other Heads of States have bestowed decorations on him.

I think that there is a good deal in what the Valiahd says about his being obliged to show favour to the Russians. This province is swarming with Russian subjects, who

raise claims, just and unjust, most days of the week, and he feels that unless he fawns on the Russian Consul-General, and from time to time administers judicious backsheesh to him, his own life would not be worth living. He would not be supported from Tehran if he quarrelled with the Russians here.

I venture, really and truly for the last time, to urge again the advisability of contenting the Valiahd in the matter of a decoration. There is really something rather pointed in our not noticing him, and with the Shah in the state he is it is now or never. A G.C.B. or a G.C.S.I. bestowed at once might save a Garter or the refusal of a Garter later on, and would send the new Shah to Tehran in a happy frame of mind and ready to be friends with us.

It is besides important that we should have a sincere friend at Court with some influence over the Valiahd, and if the latter got his decoration it would enormously strengthen Hussein's position. That he is valuable to us is clearly proved by the dislike and jealousy the Russians manifest towards him.

Under ordinary circumstances, it might be the game to keep the G.C.B. dangling before him, but just now time presses, and it is most important that he should get it, or at least be told it is coming, before he succeeds to the throne.

May I beg you to put my views before the Foreign Office?

Yours, &c.
(Signed) A. C. WRATISLAW.

[32993] No. 8.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 224.) Sir,

I HAVE the honour to transmit herewith translations of speeches made at the first meeting of the National Assembly at Tehran on the 18th ultimo by the Grand Vizier and the Mujtehid Seyyid Abdullah, who has been generally looked upon as the principal leader of the popular party.

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure in No. 8.

Speeches delivered by Grand Vizier and Seyyid Abdullah at the first Meeting of the National Assembly, Tehran, August 18, 1906.

HIS Highness the Mushir-ed-Dowleh Sadr Azam :

Of course every one of us present to-day at this meeting knows in a general way the objects with which the Assembly has been convened, and why the clergy, the Ministers, the nobles, the aristocracy, the merchants, and the guilds have come together at this meeting. But in order to make manifest and clear the gracious intentions of His Imperial Majesty, I consider it necessary to say to you, Gentlemen, that, as of course every one of you knows, His Imperial Majesty has resolved to open the doors of good fortune and prosperity to the whole of the people of the protected kingdoms of Persia, and to bring about in due course necessary and useful reforms which will strengthen the edifices of the Government and the prosperity of the nation. As this resolve of His Imperial Majesty could not be put into execution in the form contemplated by His Majesty without the aid and support of the whole nation of Persia, His Majesty decided to convene at Tehran a National Consultative Assembly, composed of members elected from particular classes, as stated in the Rescript of the 14th of Jemadi-us-Sani 1324 (August 5, 1906).

The laws for the elections and the regulations for the National Assembly must be drawn up with the greatest care in accordance with His Majesty's Rescript, and it is evident that the fulfilment of this work will require time and opportunity.

Consequently, in order to give a manifest proof to the whole nation of His Majesty's determination to convene the National Assembly, His Majesty commanded that temporary quarters should be assigned for the Assembly, and that sweets and sherbet should be there partaken of in the presence of the clergy, the Ministers, the nobles, the aristocracy, the merchants, and guilds.

It is evident that the Ministers of State will make strenuous efforts to draw up as soon as possible the election laws and regulations for the National Assembly in accordance with His Majesty's Rescript of the 14th of Jemadi-us-Sani 1324 (August 5, 1906), and to collect the Members of the Assembly at Tehran and to open this honourable Assembly.

We pray to God to make perpetual the shadow of His Imperial Majesty over the whole nation of Persia, and pray that the grace of God may be bestowed upon our trusty brothers and compatriots, so that they should join with the Ministers of State in their endeavours to open the doors of happiness upon the Persians, and to bring this ancient State and nation, which dates back 5,000 years, to the zenith of prosperity.

Seyyid Abdullah Mujtehid :

In the name of God the All-merciful . . . (and further quotations from the Koran).

God be praised that through the manifest and hidden help of the protecting Prophet (the 12th Imam), and the united assistance of a subject-loving and just Sovereign, to-day the dark and helpless night of the Persian nation has come to an end, and the sun of their prosperity and fortune has arisen.

The energy and capability of the nation have caused His enlightened Majesty to give on this auspicious day expression to his gracious intention to bring about the freedom of the country and to give new life to the nation; and his dear children who have been brought up in tenderness have now become absolute and free in their own affairs, so that they should do and say what they think necessary for the advantage of the time, and repair the past ruin of their dear native land.

There can be no doubt that the independence of the kingdom is dependent on the prosperity of the subjects and the education of the nation; and the education of the nation is dependent on the independence of the kingdom.

If the nation asked for an independent will and a Consultative Assembly, it was for the protection of Islam and the power of the Sovereign; and the Government, in agreeing to this demand, did so to strengthen the nation and to give them full powers in bringing about progress in the State. Now that through the help of Almighty God, and in accordance with the Royal Rescript, in this way a firm alliance has been made between the Representatives of the State and the nation, and that the ability of the nation has brought about the recognition by the State of their personal and national rights, it is for this body of Representatives, in awakening the nation and enlightening it, to protect their sovereign rights; and now that an awakening has come from the sleep of indifference, the ruins must be repaired by the indications of the clergy, who nurse the Faith, and the Ministers, who love the State and worship the fatherland. The general faults and present mistakes which have prevented the pivots of the kingdom from doing their duty must be cast aside, and the necessary reforms in all the Government departments and the administration of the kingdom must be undertaken; and let them be assured that any assistance which can be given by the chiefs of the Faith and the important Ministers will be extended without reserve and will be carried out.

On this occasion of the formation of the National Assembly, which is only for form's sake, I offer the expression of heartfelt and sincere gratitude to His Majesty with the greatest pleasure and gladness, on my own behalf personally, and on behalf of the body of the nation by proxy.

For the time being the present number of Representatives of the capital can begin their labours; but we expect that the Representatives who have to be elected in all the provinces, after having been chosen according to a special method, will in due course present themselves at the capital.

However soon this Assembly, which is the National Consultative Assembly, meets in accordance with its regulations, it will show brilliant results, by the help of God, in the strengthening of the edifices of the State and the establishment of the rights of the nation.

[32994]

No. 9.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 225.)

Sir,

WITH reference to your telegram No. 94 of the 13th July last, I have the honour to transmit herewith a copy of a letter to the Ilkhani of the Bakhtiari, stating the views of the D'Arcy Oil Syndicate in reply to certain objections raised by the Khans to the Agreement signed in the autumn of 1905.

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure in No. 9.

Mr. E. Grant Duff to the Ilkhani of the Bakhtiari.

(After compliments.)

YOUR Excellency will no doubt remember that, at a meeting held at His Majesty's Legation on the 15th May last, the Bakhtiari Khans present, viz., the Ilkhani, the Ilbegi, the Serdar Assad, and Moin-i-Homayun, requested me to transmit to the D'Arcy Oil Syndicate certain objections raised by them to the Agreement signed in the autumn of 1905.

The reply which I have received is as follows:—

"It is obviously impossible for the Syndicate to define what buildings will be required, or the size and localities of such buildings, until oil is found. During the preliminary boring only temporary buildings will be necessary. Mr. Preece states that this point was clearly explained to the Chiefs during the negotiations.

"The question of the pay of guards was thoroughly gone into at Chehar Mahal during the negotiations, and at first 1,500*l.* was agreed to as the amount to be paid, but, at the request of Haji Ali Kuli Khan, it was increased to 2,000*l.* per annum, with which sum he considered he would be able to provide for guards on a very liberal scale. During the boring, and until oil is found, only two sites will require guards. Forty men at each place will be more than ample; 2,000*l.*, at the present rate of exchange, represents 11,500 tomans, and Haji Ali Kuli Khan named 50 tomans a-year as the pay of each man. Therefore, 80 men at 50 tomans each equal 4,000 tomans, which leaves a margin of 7,500 tomans per annum. No mention was made of fodder. The pay of a Headman was duly considered when the question was gone into, and was included in the 2,000*l.* The statement made by the Khans that the high salaries paid by the Syndicate upset the Bakhtiari guard will be referred to the local Superintendent, but it is doubtful if the men put as guards would work in the borings, and, if they did, whether they would be of any use.

"This question was most thoroughly ventilated when the Agreement was discussed, and the Khans were assured that, if the borings necessitated extra guards, the matter would be duly considered, and allowances made.

"In addition to which, after oil is found in paying quantities, and after the formation of one or more Companies to work oil in the Bakhtiari country, and after the oil is passed through the pipes, the first party undertakes to give the second party 3 per cent. of all the ordinary shares issued, which shares must be fully paid.

"The question of robbery and the amount the Chiefs would be liable for is very difficult to define. This would have to be done locally, and the local Superintendent will be instructed.

"The local Superintendent can be instructed to carry out the wishes of the Chiefs in respect to the payment for guards being remitted quarterly to the Ilkhani and Ilbegi for the time being, the receipts of these Chiefs to be considered sufficient by all the signatory Chiefs.

"As the Ilkhani and Ilbegi are the Chiefs nominated by the Persian Government for the due control of the Bakhtiari tribe, they are Government officials, and are competent to deal with cases arising between the representatives of the Syndicate and Persian subjects. The Syndicate are of opinion that it is unnecessary to introduce a provision that, in the case of such cases arising, the matter should be referred to the nearest Karguzar, who would hear it in the presence of a British Consular officer.

"Finally, the Syndicate are of opinion that any alteration made to the existing Agreement can be defined by supplementary Articles attached to it. It is considered quite unnecessary to cancel the existing Agreement.

"A letter from the Syndicate, through His Majesty's Legation, to the Chiefs, defining what alterations they agree to, and an acceptance of the same by the Chiefs, would be all that is requisite to make them effective."

[32995]

No. 10.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 226.)

Sir,

AS I had the honour to report in my telegram No. 214 of the 16th ultimo, the Mujtaheds returned to Tehran from Kum on the night of the 15th August. They received an ovation. On the 18th August the principal Mollahs, the Grand Vizier, and other officials and members of all the classes mentioned in the Shah's Rescript, met together in the Otak-i-Nizam in the Palace precincts as a sort of declaration that the National Assembly was actually in being. This step was taken owing to the insistence of Seyyed Abdullah and Seyyed Mohamed, who declined to see the Shah before it was sanctioned. The Mujtaheds invited the various persons to attend, and entirely ignored the Shoa-es-Saltaneh, although his younger brother, Azad-es-Sultan (the Shah's fourth son), was asked to be present. The preacher, Sheikh Mehdi, whose arrest and rescue led to the disturbances of the 11th July, ascended a raised platform and declared the Assembly open. Sherbert was then drunk to the health of the Shah, the Grand Vizier, and the National Assembly.

On Sunday, the 19th ultimo, the Mujtaheds visited the Shah in the morning. They were received in two parties: first, Seyyed Abdullah and Seyyed Mohamed, and then Sheikh Fazlullah and his followers. Seyyed Abdullah sat on the Shah's right, and Seyyed Mohamed on His Majesty's left. After the customary compliments, the following conversation took place:—

The Shah.—Why did you leave in anger?

Seyyed Abdullah.—You ("shuma") sent us away, and we went. You recalled us and we came back. Our just complaints were distorted, and our petitions never reached you.

The Shah.—It is not so; I read all your petitions and replied to them.

Seyyed Abdullah here contradicted the Shah, and said that His Majesty had never seen their petitions. The Shah then said: "Now we are glad you have returned, and we have a deep regard for you, and you must continue to serve us."

To this both Mujtaheds replied, "No, we do not serve you ('shuma')*, but ourselves and the nation." Seyyed Abdullah added, "You need not be grateful to us for our services which are rendered to the nation."

I have thought it well to record the above conversation as showing the language now held to the Sovereign. It must be remembered that the Shah is usually addressed as the Asylum of the Universe, or by some equally grandiloquent title, and petitions are made to the "dust of the jewelled feet." It is hardly necessary to say that Seyyed Abdullah's language caused a great sensation at Court.

The audience practically took place in public, as at least fifty Mollahs were present, besides the officials of the Court.

I have already had the honour to inform you that the last batch of refugees left His Majesty's Legation on the 19th August.

The following week was employed in negotiations between the Government and the clergy with respect to the Nizam Nameh, or Regulations for the Constitution and arrangements of the National Assembly. The Shah had been strongly urged by the reactionary party at Court to allow representatives from the Tehran district alone which would have deprived the Assembly of its national character. A Committee had been selected to draw up the Regulations, but their draft was modified by the reactionaries to such an extent as to be hardly recognizable.

Meanwhile it became known to the people that their opponents were getting the

* The use of the word "shuma" in addressing a person in the Shah's position is unusual, not to say rude.—E. G. D.

upper hand, and the late Grand Vizier, who had been at Leshkerek, a village about 10 miles from here, suddenly returned to his country seat not far from the Shah's residence, and there can be no doubt that it was His Majesty's desire to reinstate him.

This caused the greatest excitement and indignation among the people of Tehran, and I was warned that they might again resort to His Majesty's Legation. Although the Persian Government are so powerless that it was unlikely that they could prevent a further incursion into our garden, I at once *pro formd* brought the matter to the notice of the Grand Vizier, and requested His Highness to take steps to avoid a repetition of the events of July and August.

To make matters worse the Shah very unwisely declined to sign the Regulations for the Assembly. The leaders of the people now sent me a message stating that if the Regulations were not at once signed, and if Ain-ed-Dowleh (late Grand Vizier), Amir Bahadur Jang (Minister of the Court), the Sepahdar (commanding the artillery), and Hajib-ed-Dowleh (the Farrash Bashī) were not exiled, they would come in thousands to His Majesty's Legation and enter if necessary by force. They would then have recourse to violence to gain their ends. About twenty-five of the leaders actually took refuge at His Majesty's Legation. On hearing this I went at once to see the Russian Minister in order to co-operate with him according to your instructions.

We agreed to recommend the Shah to accept the demands of his people, and I accordingly addressed to the Grand Vizier the note inclosed herewith.

The result up to the present has been that the late Grand Vizier has been ordered to proceed to Khorassan, and has already left this neighbourhood. The Regulations for the Assembly have also been signed by the Shah.

This is satisfactory as far as it goes, and the "bastis" are coming to see me to-day, when I hope to persuade them to leave His Majesty's Legation. It is not improbable that they may decline to do so until their three remaining enemies are exiled; but we have hitherto remained on good terms, and I shall do what I can to induce them to depart. Meanwhile the Legation has been thoroughly disinfected, and work on the garden is proceeding.

In my telegram No. 234 of the 6th instant I drew your attention to certain reports which I had received from good sources that the Russian Minister was actively trying to induce the Shah to upset the Constitution granted by His Majesty last month. I am also by no means sure whether M. de Hartwig has really been assisting me in spite of his repeated promises. The Grand Vizier's son two days ago formally warned me that the Russian Legation were playing a double game. In reporting this I have not lost sight of the fact that it is to the interest of the Persian Government to prevent by all means in their power any understanding between Great Britain and Russia; but I have been warned from several different sources, and although M. de Hartwig makes many protestations of his desire to co-operate with me he by no means inspires me with confidence.

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure in No. 10.

Mr. E. Grant Duff to Grand Vizier.

September 8, 1906.

I YESTERDAY went to Rustemabad hoping to have the honour of seeing you, but found that you had gone to town.

The Mushir-ul-Mulk will no doubt have informed you of the conversation we had regarding the present very serious situation.

Last night I received intelligence that the people now in "bast" at His Majesty's Legation were assuming a threatening attitude, and announced their intention of again filling the grounds with their partisans, if necessary effecting an entry by force, should His Majesty the Shah not grant their demands by 12 o'clock to-day. Their demands, which are as follows, are already no doubt known to your Highness:—

1. The immediate exile of Ain-ed-Dowleh, Amir Bahadur Jang, the Sipahdar, and Hajib-ed-Dowleh, the Farrash Bashī.
2. The signature of His Majesty the Shah of the Regulations for the elective Assembly.

The former demand is, as your Highness is well aware, a matter of pressing necessity, unless the Persian Government are prepared to face active resistance on the

part of a large portion of the inhabitants of Tehran with whom practically the whole nation sympathizes.

This state of things constitutes a grave danger to His Majesty the Shah and the Kajar dynasty. Provided that the four officials mentioned are immediately exiled to distant parts of the Empire, I think it not improbable that the leaders of the people may consent to discuss the Regulations for the Assembly in a rational manner.

As regards the situation at His Majesty's Legation, I have the honour to request you to draw the attention of His Majesty the Shah to the fact that the forcible entry of a foreign Legation by His Majesty's subjects constitutes a very grave offence according to the law of nations, for which the Persian Government will be compelled to take the consequences. That such forcible entry will occur if the demands of the people are not complied with is formally announced by the "bastis." It is unnecessary to point out to your Highness that the Persian Government are face to face with a revolution, and that any act on their part which is calculated to increase the present excitement among the people may lead to the most regrettable results.

I would express the hope that in laying this note before the Shah, your Highness will explain to His Majesty that it is not from any wish to interfere in the internal affairs of Persia that I venture to recommend His Majesty to grant the petitions of his people. The ancient friendship between His Majesty's Government and the Kajar dynasty makes it clear to me that it is my duty on an occasion like the present to warn His Majesty of the great danger to his dynasty which may follow any delay in dealing in a conciliatory manner with the crisis through which the Persian nation is now passing.

Since writing the above I hear from a certain source that the people will also demand the exile of the Nayer-ed-Dowleh, Governor of Tehran, and the arrest of Serdar Akram, late Vazir of Fars.

[32997]

No. 11.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)
(No. 228.)

Sir,
Gulahek, September 11, 1906.

WITH reference to your telegram No. 113 of the 17th ultimo, I have the honour to transmit herewith correspondence with the Persian Government regarding the satisfaction to be given for the attacks made by the inhabitants of Nusretabad and its vicinity on His Majesty's Consulate in Seistan on the 27th March and the 11th July last.

You will see that in his note of the 30th ultimo the Grand Vizier makes difficulties about the removal from Seistan of the four persons whose expulsion from Seistan is one of the demands of His Majesty's Government. His Highness also objects to give the 10,000 zars of land asked for.

I replied yesterday to the Mushir-ed-Dowleh's note to the effect that I was unable to entertain his proposals, and that I had already had the honour to indicate the terms which His Majesty's Government were prepared to accept in settlement of the case.

I venture to point out that from the first the Persian Government have affected to treat the attacks on His Majesty's Consulate—the first of which was certainly of a grave nature—as incidents of no particular importance, and the special official appointed to inquire into the case did not reach the province for some four months after the commission of the offence.

It would, in my opinion, be imprudent to consent to easier terms, especially as our demands are, considering the offence, by no means harsh. The Persian Government will probably have some difficulty in their present weak state in effecting the removal of the four instigators of the disturbances. One of these persons, Seyyed Husein Bunjari, was the prime mover in the riot of 1903, and his deportation is specially desirable.

I shall see the Grand Vizier to-morrow, and shall continue to press for the terms demanded.

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure 1 in No. 11.

Mr. E. Grant Duff to Mushir-ed-Dowleh.

Gulahek, August 18, 1906.

HIS MAJESTY'S Consul in Seistan informs me that the Commissioner sent by the Persian Government to inquire into the disturbances at Nusretabad on the 27th March and the 10th July last has verbally agreed to recommend the following measures against the rioters :

1. The Deputy Governor, the Mustaifi, and all the ringleaders (except the Mujtehid Sheikh Reza), whose names were given to the Persian Government, to call at His Majesty's Consulate and offer an apology.

2. Four of the principal ringleaders, namely, Mullah Muhammad Taki, Mullah Muhammad Hussein, Haji Khorashedi, and Saiyed Husein (Bunjari), to be deported from Seistan.

3. Compensation of 100*l.* to be paid by the Persian Government for damages done by the rioters to the Consular dispensary.

4. The grant of 10,000 zars of land for the extension of the Consular hospital.

I have the honour, by the instruction of His Majesty's Principal Secretary of State for Foreign Affairs, to inform your Highness that His Majesty's Government are prepared to accept the above proposals.

Inclosure 2 in No. 11.

Mushir-ed-Dowleh to Mr. E. Grant Duff.

(Translation.)

August 30, 1906.

IN reply to your note with respect to the settlement of the incident which occurred some months ago in Seistan, I have the honour to say that the Persian Government gave definite instructions to his Excellency Monitahan-es-Sultaneh with a keen desire to settle the case, and expected that with the help of the British Consul a settlement would be arrived at. Now that the settlement of the question has been made subject to four conditions, I would observe that of course the sense of justice possessed by the representatives of the British Government will cause you to agree that when seven persons representing the Government and the body of Elders of a district apologize for the incident, it will not be necessary for four respectable persons of the locality to be expelled, so that on account of their expulsion and the inconvenience attached to it difficulties should occur which might not be advantageous to the trade and business of your subjects there, and at the same time cause trouble to the Persian Government, especially at this particular moment, and disturb the general peace.

Also, if the damages for the dispensary are paid, it is not expected from a friendly Government that a proposal should be made that such and such an area of Government land should be handed over gratis.

In these circumstances, having complete trust in the justice of the Representatives of His Majesty's Government and in your own equity, it is certain that you will not allow this past case to become a precedent. I hope that you will give instructions to your Consul in Seistan to settle the matter in this self-same way—that those persons should apologize, that the damages for the dispensary should be paid, and the matter be settled, and the Representatives of the two Governments be contented and at ease.

Inclosure 3 in No. 11.

Mr. E. Grant Duff to Mushir-ed-Dowleh.

September 10, 1906.

I HAD the honour to receive your note of the 30th ultimo regarding the satisfaction which the Persian Government propose to offer for the two attacks on His Majesty's Consulate in Seistan on the 27th March and the 10th July last.

I have already had the honour to indicate to your Highness the terms which His Majesty's Government are prepared to accept in settlement of the case, and I regret that I am unable to entertain the proposals which your Excellency puts forward in your note under reply.

[32998]

No. 12.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 229.)

Sir,

I HAVE the honour to forward herewith a copy of a despatch addressed by His Majesty's Consul at Kermanshah to His Majesty's Consul-General at Bushire on the subject of his recent visit to the Vali of Pusht-i-Kuh. This Chief asked Captain Gough whether the British Government would give him an assurance that his present semi-independence of the Central Government would not be taken from him, and whether his fourth son could in some way be made our protégé. Captain Gough replied that he could himself give no answer as regards the first request, which he would submit to the Government of India, but that the second could not be entertained.

I venture to think that until it is possible to judge with some accuracy of the probable course of events in this country it would be inadvisable to give any definite assurance to the Vali of Pusht-i-Kuh, but in view of the possibility that at some future time it may be thought desirable to reconsider the project of a road through Luristan, it would be well for His Majesty's Consul at Kermanshah to keep in touch with, and occasionally visit, the Chief in question.

I have, &c.

(Signed) EVELYN GRANT DUFF.

Inclosure in No. 12.

Consul Gough to Consul-General Cox.

Sir,

Kermanshah, July 31, 1906.
I HAVE the honour to report that while in Pusht-i-Kuh, I was approached by the Vali with two requests which he asked me to make to Government on his behalf.

2. In the first place, he referred to the efforts of the Central Government to obtain control over the outlying portions of the Persian Empire, and cited Kurdistan and Bakhtiaristan as examples of their methods of procedure. As you are no doubt aware, Kurdistan was formerly ruled by its own Valis, with their hereditary Viziers, in exactly the same manner as is now Pusht-i-Kuh. The Persian Government, however, managed to weaken the authority of the Vali of Kurdistan by fomenting internal dissensions to such an extent that they were able to step in and finally take over the province without difficulty. The ex-Vali is now living in Kermanshah—a person of no consequence, and dependent on the charity of the Central Government for his daily bread. In the Bakhtiari country, too, the Vali pointed out, that the dissensions stirred up by the Government have fearfully weakened the powers of the formerly semi-independent Chiefs of the Bakhtiaris. He himself, more lucky than they, has the advantage of living in an almost impenetrable maze of mountains, entered only by a few rough mule-tracks. Unfortunately, the Vali is on very bad terms with his eldest son, who is backed by some of the most powerful men in Pusht-i-Kuh. These men are the progeny of black slaves, originally brought into the country by his father and grandfather, and who have now become free, and exceedingly rich, and by far the most powerful element in Pusht-i-Kuh. Some of them are individually richer than the Vali himself, and keep up a greater state—possess more Arab mares, and have a larger following of better armed and mounted servants than the Vali himself. Some of these men are backing up the Vali's son, and it seems exceedingly probable that before long there will be a general upheaval in Pusht-i-Kuh.

The Vali is afraid that this state of affairs will be aggravated by the Central Government, and that they will finally step in and take over the (mis)management of the country. Like most thinking men in Persia, too, he is of opinion that the present state of affairs in Persia itself cannot long continue, and pretends to recognize that some day either Russia or England must step in to restore order. As the result of the recent war he eliminates the former, and therefore thinks that we are the only solution.

3. His request, therefore, is, that the British Government should give him some assurance of protection against future contingencies.

In return for this, he thinks he might be able to render valuable services in South-West Persia; or, in case of necessity, that his country and resources might be of assistance in some possible future operations against a force approaching from the north.

He does not ask that he may be openly taken under our protection, but that he may be given an assurance that his present semi-independence of the Central Government of Persia may not be taken from him.

4. It is, perhaps, presumptuous in me to urge the importance to us of having a fairly strong Government in South-Western Persia friendly to ourselves. I would, however, point out that with our moral support alone, the Vali would be quite powerful enough to retain his practical independence from Persian authority. The late Vali was far more independent even than the present, and even now the Persian Government would certainly never attempt to send a military expedition into the wilds of Pushti-Kuh.

The Vali, too, has an undoubted influence with the various disunited Lur tribes in Pish-Kuh, and, in case of a road from Dizful being at some future date decided on, the Vali's help to us might be invaluable.

At present, all that he asks for is our moral support.

5. His second request was one I was able to tell him could not be granted. He asked that his fourth son, a boy of perhaps eight or nine years of age, might be made in some way a protégé of the British Government.

I think the Vali's idea in this is to protect the lad against his eldest brother when the latter succeeds his father in natural course. As I have remarked above, the Vali is on bad terms with his eldest son, and the reason for this is the undue favour shown to the younger brother.

I told the Vali that I regretted that I could not see my way to recommending that his request should be granted.

With regard to the first request I assured the Vali that I could give no answer myself, but would report the matter to Government for their decision.

I have, &c.
(Signed) H. GOUGH.

[32999]

No. 13.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 230.)

Sir,

WITH reference to your telegram No. 128 of the 7th instant, I have the honour to inclose a copy of correspondence with the Russian Minister, which shows that the statements of the Turkish Government to His Majesty's Ambassador and to the Russian Chargé d'Affaires at Constantinople regarding the rumoured withdrawal of the Turkish Commissioner to Suleimaniéh and the collection of taxes in Mergawar are not identical.

Owing to the situation here, which obliges me to give attention to more pressing matters, I have not yet been able to discuss the frontier question with the Grand Vizier, but I hope to see his Highness to-day, when I will endeavour to discover what is the present state of the dispute.

You will see that M. de Hartwig states that he has no accurate information with regard to the matter.

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure 1 in No. 13.

Mr. E. Grant Duff to M. de Hartwig.

Cher M. de Hartwig,

J'AI oublié de vous dire ce matin que, d'après un télégramme que j'ai reçu de Londres, il paraît que le Gouvernement Ottoman déclare que l'information récemment communiquée à votre Excellence par le Gouvernement du Schah que le Représentant

Goulahek, le 9 Septembre, 1906.

Turc se serait retiré à Suleimanié et que les autorités Turques avaient imposé des taxes à Mergavar est complètement sans fondation.

Je propose de faire part verbalement à Mouchir-ed-Dowlé du contenu du télégramme préindiqué.

Est-ce que, peut-être, votre Excellence a des informations exactes de ce qui se passe sur la frontière Turco-Persane?

Je vous, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure 2 in No. 13.

M. de Hartwig to Mr. E. Grant Duff.

Cher M. Grant Duff,

Zerguendeh, le 27 Août (9 Septembre), 1906.

JE m'empresse d'informer votre Excellence que les renseignements qui me sont parvenus de Constantinople par la voie de Saint-Pétersbourg au sujet du différend Turco-Persan ne sont point aussi catégoriques que ceux dont vous faites mention dans votre lettre de ce jour.

Ainsi, au cours d'un entretien qu'a eu notre Chargé d'Affaires à Constantinople avec le Grand Vizir, ce dernier a dû désavouer la conduite du Commissaire Turc et assurait M. Swetchine d'avoir donné des ordres télégraphiques très précis à Zenny Pacha, qui s'efforçait à éviter la rencontre avec son collègue Persan.

Pour ce qui concerne la perception des taxes à Mergavar, le Premier Ministre Ottoman s'est borné à exprimer des doutes à ce sujet, promettant d'instituer une enquête sur les lieux et d'agir très sévèrement dans le cas où la plainte du Gouvernement Persan serait fondée.

Malheureusement, jusqu'à l'heure qu'il est, je n'ai pas eu d'autres nouvelles sur ce qui se passe à la frontière Turco-Persane.

Veuillez, &c.
(Signed) N. HARTWIG.

[33000]

No. 14.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 231.)

Sir,

Gulahek, September 12, 1906.

IN my telegrams Nos. 220 and 221 of the 22nd and 23rd ultimo respectively, I had the honour to bring to your notice the serious condition of affairs at Shiraz and the means it was proposed to adopt to protect British subjects in that town should the disturbances in that town assume an anti-foreign character.

I do not think the populace at Shiraz had the slightest intention to molest Europeans, and it is clear that their demonstration against the Imperial Bank of Persia was merely intended to call the attention of the Central Government to their just grievances against the Shoa-es-Saltaneh, whose intrigues in Fars are the main cause of the agitation.

I have the honour to inclose a copy of a despatch from His Majesty's Consul at Shiraz, reporting a conversation with the present Governor-General, which gives a vivid idea of Persian methods of administration and the difficulties with which relatively capable officials like Ala-ed-Dowleh have to contend. The agitation has now calmed down, and the famous Vekil Bazaar (one of the properties seized by the Shoa-es-Saltaneh) has been handed back to the people of Shiraz. The Grand Vizier informs me that a special official is being sent to Fars to decide what property legally belongs to the Shoa, and with power to return to the lawful owners such land as the Prince may have arbitrarily seized. Whether this official will accomplish anything definite remains to be seen, but the fact that the Prince has been forced to return the Vekil Bazaar has already greatly improved the situation.

I have the honour to inclose such correspondence as there has been with the Persian Government on the subject.

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure 1 in No. 14.

Mr. E. Grant Duff to *Mushir-ed-Dowleh*.

August 20, 1906.

WITH reference to my letter of the 12th August, I regret to have to inform your Highness that I have to-day received a telegram from His Majesty's Consul at Shiraz stating that the people of that city, not satisfied with the measures taken to redress their grievances, have closed their shops, held a mass meeting in the new mosque, and threaten to take host at His Majesty's Consulate.

I have telegraphed to Mr. Grahame urging him to do all in his power to dissuade the people from taking refuge under the British flag, and I trust your Highness will at once take steps to reassure the people and to prevent their resorting to His Majesty's Consulate.

Inclosure 2 in No. 14.

Mr. E. Grant Duff to *Mushir-ed-Dowleh*.

August 23, 1906.

YESTERDAY I had the honour to communicate to your Highness a telegram from His Majesty's Consul at Shiraz, reporting grave disturbances in that city.

I at once telegraphed full particulars to His Majesty's Government, but the matter seems to me so serious that I reluctantly feel compelled to emphasize in a written and official note the representations which I have already made to your Highness verbally.

The disturbed condition of Fars has, as your Highness is aware, been the subject of almost constant communications between His Majesty's Government and this Legation for many months past. The discontented population has once already taken refuge under the British flag, has threatened to do so again on more than one occasion, and has only been prevented by the instructions sent to His Majesty's Consul to do his utmost to keep them out of the Consulate. No sooner was one disturbance at an end than a fresh outbreak took place, and His Majesty's Government have been seriously perturbed by the dislocation of British trade and the general insecurity of the province which has resulted from this state of things.

I need scarcely point out to your Highness that the news of this fresh outbreak, involving such very serious issues as the forcible closing of a British protected bank, threats to wreck the offices of European merchants and even to attack the official residences of foreign Representatives, will greatly increase the concern which His Majesty's Government already feel for the security of British interests in Fars, and will seriously endanger the good feeling which exists between the two Governments.

Your Highness has, I understand, been fully informed of the grievances alleged by the people, and must be aware of the only course which will satisfy them and restore order permanently to the province.

I must again earnestly beg, for the sake of the good name of the Persian Government, as well as for the protection of British interests, that orders may at once be sent to the Governor-General to give the people such assurances as will satisfy them, and restore the province once more to a peaceable and normal condition.

Since writing the above I have received a telegram which shows that His Majesty's Government, in view of the situation, are seriously considering the question of sending a body of troops to protect British interests at Shiraz.

Inclosure 3 in No. 14.

Consul Grahame to Mr. E. Grant Duff.

Shiraz, August 11, 1906.

(No. 61.)
Sir,
IN amplification of my telegram No. 89 of to-day's date, conveying to you an appeal from the Ala-ed-Dowleh to rouse the Persian Government to a sense of the situation in Fars, I have the honour to inform you that I had a long interview between 6 and 8 p.m. yesterday with his Excellency, in the course of which he spoke in the very strongest terms of the folly and bad faith of that Government in regard to the affairs of Fars.

He reminded me of the assurances given by the *Mushir-ed-Dowleh* to you and

conveyed by me under your instructions to the people of Shiraz, to the effect that he was to have full powers in settling all matters connected with the Prince Shoae-Saltaneh's properties. The Shah had given him a "dastkhatt" to that effect, and this document had been produced to His Majesty's Legation and to the people of Shiraz as a solemn pledge of the Shah's good faith. It had become a dead letter.

He was hampered at every turn in Tehran by the intrigues of the Prince himself—in Fars by those of his followers. Did he enforce a decision to-day, to-morrow came a telegram from the Persian Government, "What are you doing with the Prince's properties"?

Some time ago, under direct instructions from that Government, he had announced to the people and had given them a writing to the effect that the Shah granted to them the Bazar-i-Vekil and contiguous shops to be held on the same terms as before, i.e., nominally Crown property, but, by usage of more than a hundred years, private freehold. Subsequently on his applying for a rescript—as prayed by the people—under the Shah's sign-manual, confirming this grant, Prince Shoae-Saltaneh angrily protested that the Persian Government could not dispose of his private properties (an argument which sounds rather like the Devil quoting Scripture).

The Prince, under pretext of his purchase from the Shah, had seized numberless properties—whole tracts of country in Behbehān and Kazeroun—which were nowise included in that purchase, and in some cases could be shown by irrefragable documentary evidence not to belong to the Crown. If he (Ala-ed-Dowleh) decided that such and such properties must be surrendered to its former owner, His Imperial Highness raised the cry that while the Qavam's men were permitted to administer unmolested their master's lands, his overseers were expelled.

His Excellency produced to me a letter written to him by Prince Moayyid-es-Saltaneh (formerly Head of the Persian Telegraphs, Shiraz), at the Prince's dictation, couched in terms similar to those of His Imperial Highness' telegram of the 11th July, copy of which was communicated to you in my despatch No. 52, Secret, of the 14th July, angrily asking me what I thought of the style, or how it was possible for him to obey half-a-dozen masters and keep Fars in order.

His Excellency accused Prince Shoae of being in league with the Ilkhani of the Kashgais (Soulet-ed-Dowleh) to keep the province in a ferment, and the Sirdar-i-Akram of writing letters to the baser sort of Akhonds, inciting them to provoke troubles in Shiraz.

He waxed eloquent on the way in which he had toiled to keep the Bushire Road in order and prevent the clergy here from following the example of that of Tehran. His strength and powers were limited. He could, and had, prevented meetings of Akhonds in the town. He could not prevent Akhonds meeting—as they had been doing latterly—in the suburbs.

What more could he do? His hands were tied.

His Excellency from time to time appealed for confirmation of his statements to the Salar-es-Sultan and Nasr-ed-Dowleh, who were present during the earlier part of my interview. He warned me that he had used and abused his influence to keep the clergy and people quiet. He could do so no longer. It was useless for him to tell any more lies on behalf of a blind and ungrateful Government.

In answer to my suggestion that I should make a personal appeal to Mirza Ibrahim to restrain the clergy and people, his Excellency assured me that the discontent had spread far beyond the control of that Mujtahed.

The Persian Government remained deaf to his warnings—blind to the real condition of things in Fars.

Was the Shah to lose the allegiance of 5,000,000 of his subjects to gratify the ambition or greed of a foolish youth?

He appealed to me to request you at once to use your utmost endeavours to arouse the Government to a perception of the real state of affairs here. In doing so no language you could use would be too strong ("sakht").

"I know my Government," said his Excellency; "they will never believe anything is going to happen till it really does. It keeps on saying Inshallah! it won't be so." He had done his best, as I and others could bear witness, to uphold the Shah's prestige, but the Shah himself had made his Royal word of no avail, and the people, weary of this further delay, were now on the eve of again resorting to the Consulate. He could no longer prevent them. This time they would come not in hundreds, but in thousands. The Prince's spies, like the Basgir-ul-Mulk (Head of the Persian Telegraphs) and others; the Karguzar [*sic*], I hinted, would represent that he and I had leagued together to bring about this further agitation. He could not stop their mouths. He

was tired of endeavouring to do the impossible. Four times he had telegraphed his resignation. The Government had refused. Next time he would go without asking permission.

I said all I could to convince his Excellency of my fullest appreciation of his good services, my sympathy with him in his difficulties, and my determination to assist him by any legitimate means in my power.

After the departure of Salar and Nasr-ed-Dowleh, his Excellency used even more forcible language and adjured me to send you a very long and very strong telegram in the sense above indicated, and to explain to you fully by to-day's post the difficulties of his position, difficulties in which he confidently relies on your friendship.

Ala-ed-Dowleh is, as you are aware, a person of somewhat sudden moods—an "Excellenz Plötzlich"—and perhaps we must discount to a certain extent the extreme force of his language on this occasion.

It is possible he may be in a measure influenced by the Qavamis, who are driven to desperation at their failure to obtain the Qavam's release, while Nasir-ul-Mulk, after an appeal to Shoa-es-Saltaneh's mother, has—as you know—been liberated.

As regards Ala-ed-Dowleh's threat to leave Shiraz, I have private information that a few nights ago he had ten horses ready saddled in the stables awaiting his orders. Were his Excellency to ride off one night in a fine frenzy, the position here might become very serious—if anything can become serious with the people of Fars—and I made him promise that he would not make such a move without warning me secretly a day or two beforehand.

I had gone to see his Excellency by appointment to discuss some local cases, e.g., that of the slave woman Zohre referred to in my despatch No. 57 of the 1st August. I was only able to drag in two or three of these *à propos des bottes*, but his Excellency has promised to give these his attention on Monday.

The relations between us are at present most cordial, and I am anxious to make hay while the sun shines.

I heard yesterday from a leading merchant and to-day from two independent quarters of the intention of the malcontents to resort to this Consulate once more—probably on Tuesday, the 14th instant.

To my informant of yesterday I suggested that it would be well that the people should first inform the Sadr-Azam of their intention, sending you a copy of their telegram.

I have, &c.
(Signed) GEORGE GRAHAME.

Inclosure 4 in No. 14.

Mushir-ed-Dowleh to Mr. E. Grant Duff.

(Translation.)

I HAVE received your note of the 23rd instant respecting the attitude of the inhabitants of Fars.

Although I have already explained to you, I do not consider it unnecessary to repeat to you in reply that, as you are aware, whenever there had been any emergency at Shiraz or any other part of the Empire where the public peace had been threatened, the Imperial Government has not spared any measure in restoring order. During your stay at Tehran you have witnessed similar cases. You are aware that the Persian Government has taken the necessary measures to put an end to the recent grievances of the inhabitants of Fars, who now enjoy peace and harmony.

I was very much surprised at the last paragraph of your note under reply, in which you state that the British Government is considering the question of sending some troops. If there has been recently, on a few occasions, some differences amongst the ignorant classes, such differences have never been directed against the foreign interests and no foreign subject has been injured, but they have always enjoyed perfect security to their satisfaction. In other countries where there have been revolutions of all descriptions and foreign subjects have suffered great losses, no power has entered into such negotiations nor taken such measures. In view of this fact, I do not see how the British Government is considering such a measure on account of a trifling incident, while the Persian Government is expecting otherwise in view of the friendship existing between the two Governments. I have, however, no doubt that you will inform your Government of the peace enjoyed by the people, and also of the energetic measures taken by the Persian Government in the matter.

Inclosure 5 in No. 14.

Mushir-ed-Dowleh to Mr. E. Grant Duff.

(Private.)

(Translation.)

August 30, 1906.

I HAVE had the honour to receive your note of the 20th August with respect to the action of the inhabitants of Fars in connection with their complaints, and, in reply, I have the honour to state that the authorities in that province have taken the necessary steps to tranquillize them and put their minds at ease.

[33001]

No. 15.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 232.)

Sir,

Gulahek, September 12, 1906.

I HAVE the honour to transmit herewith a summary of the Election Regulations for the Persian Assembly. The Regulations were signed on the 10th instant by His Majesty the Shah, after the insertion of the modifications which appear in red ink in the margin of the inclosure.*

I have, &c.

(Signed) EVELYN GRANT DUFF.

Inclosure in No. 15.

Summary of Draft Election Regulations for the Persian National Assembly, as drawn up by the Merchants, September 1906.

ARTICLE 1. *Composition of Electorate.*—Members to be elected by electorate in provinces and districts. Electorate composed of princes and kajars, clergy and religious students, nobles and aristocracy, merchants, landowners, trade guilds.

Art. 2. *Qualifications of Electorate.*—Electors must be over 25 years of age, must be Persian subjects, and must have resided at least one year in the district of election. Landowners must possess land worth at least 1,000 tomans. Merchants must have a particular business and office. Traders must have a particular trade and be members of guilds.

Art. 3. *Disqualification of Electors.*—The following persons are disqualified from electing: women, persons not of age and under tutelage, foreign subjects, persons under 25 years of age, military or naval men, persons known to hold subversive opinions, bankrupts, persons accused of murder or theft, condemned persons or those who have undergone punishment by the Laws of Islam.

The following are not eligible as voters, *ex-officio*: Governors or Government officials in their own provinces; officials of the police department in their own districts.

Art. 4. *Qualifications of Members.*—Members must possess the following qualifications:—

- (1.) They must talk Persian;
- (2.) Read and write Persian;
- (3.) Must be Persian subjects;
- (4.) Must be well known, and have resided at least one year in the province of election;
- (5.) Must not be in Government employ;
- (6.) Must not be under 30 or over 70 years of age.

Art. 5. *Disqualification of Members.*—The following persons are disqualified from being elected as Members: women, persons not of age and under tutelage, foreign subjects, persons under 30 years of age, military or naval men, persons known to hold subversive opinions, bankrupts, persons accused of murder or theft, condemned persons or those who have undergone punishment by the Laws of Islam.

Art. 6. *Tehran Members.*—The number of representatives elected will be according to the population of the electing province or district. Each province will

* See foot-notes on p. 24.

elect between six and twelve Members. Tehran and the district including Kum, Semnan, and Damghan[†] will elect the following Members:—

				Members.
Princes and kajars	..	..	..	4
Clergy and religious students	..	..	..	4
Nobles and aristocracy	..	..	..	4
Merchants	..	..	..	10
Guilds (each guild, 1 member)†	..	..	..	32 (?)
Total	..	..	..	about 64

Provincial Members—

Azerbaijan	..	..	..	12
Ghilan	..	..	..	6
Firuzkuh, Mazanderan, Astarabad	..	..	..	6
Khorassan, Seistan, Turbar, Turshiz, Kuchan, Bujnurd, Shahruh, Bastam	..	..	..	12
Khanseh, Kazvin	..	..	..	6
Kerman, Baluchistan	..	..	..	6
Fars	..	..	..	12
Ispahan, Yezd, Kashan	..	..	..	6
Gulf ports	..	..	..	6
Arabistan, Luristan, Burujird	..	..	..	6
Kermanshah	..	..	..	6
Kurdistan, Kamadan	..	..	..	6
Irak, Malayer, Tooserkhan, Nehavend, Kemere, Gulpaigan, Khonsar	..	..	..	6
Total	..	..	..	96

(In all, 160 Members.)

Art. 7. Electors have one vote and may only vote in one class.

Art. 8. Total number of Members, 200, to be sent to Tehran. Each class elects its Member.

Art. 9. Elections to be carried on under superintendence of six well-known and respected persons in each province under temporary supervision of Governor of province.

Art. 10. Complaints regarding the elections will not retard them.

Art. 11. Complaints regarding elections must be submitted to the local committee, and, if without result, to the Assembly.

Art. 12. Should a Member resign or die, and more than six months remain before the general elections, the Members of the Assembly will elect a substitute.

Art. 13. Members and electors to be registered.

Art. 14. Tribes have the right to vote.

Art. 15. Elections will be carried on by vote and by majority.

Art. 16. Members' names to be inscribed in registers of house.

Art. 17. Governors to supply quarters for provincial elections.

Art. 18. One month before date of elections, provincial Governors to announce fact to people by printed notices.

Art. 19. The provincial Members will not be waited for; the Assembly will open as soon as possible after Tehran Members have been elected.

Art. 20. Table expenses and yearly salaries of officials of house will be paid for by Members.

Art. 21. Members elected for two years, after which there will be general elections.

Art. 22. Complaints regarding elections must be addressed in writing to the President.

Art. 23. Without the consent of the Assembly, none of its Members will be liable to arrest or detention. The Members are free to say or write what they please and the Government has no right to interfere with them.†

(Here follow twelve Articles with respect to the Voting Regulations.)

G. P. C.

September 9, 1906.

* Kum, Semnan, and Damghan have been bracketed with Khanseh and Kazvin.—G. P. C.

† An amendment allows the trade guilds to elect representatives for themselves from other classes besides their own, thus modifying Art. 7.—G. P. C.

‡ An amendment to Art. 23 stipulates that should a Member commit an open breach of the peace he will be amenable to the ordinary laws, and that proceedings will be instituted against any Member who writes or says anything contrary to the Laws of Islam.—G. P. C.

[33004]

No. 16.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 235.)

Sir,

ON receipt of your despatch No. 79 of the 21st May last, I requested His Majesty's Consul at Mohammerah to furnish me with a report regarding the situation on the Karun, in so far as it affects the relations between the Euphrates and Tigris Steam Navigation Company and Haji Moin-ut-Tujjar. You will see from Mr. McDouall's despatch, copy of which I have the honour to inclose, that for the last sixteen years the Company and Haji Moin-ut-Tujjar have been trying to come to an agreement, but without success. The Moin has now purchased a steamer, which he proposes to run on the Karun with the apparent object of forcing the Company to come to terms with him.

Mr. McDouall thinks that there is no reason to suspect that the Moin is being supported by foreigners, as all the correspondence which has taken place relative to the steamer has been with Messrs. Ellinger, a British firm. His Majesty's Consul also points out that the Company do not appear to understand the relationship between the Sheikh of Mohammerah, the Rais-ut-Tujjar, and the Moin-ut-Tujjar. The latter has for some years been the Sheikh's agent at Tehran, while the Rais-ut-Tujjar has for long been the Moin's agent at Mohammerah for the sale of goods exported on the latter's account by Messrs. Ellinger.

In Mr. McDouall's opinion the Sheikh of Mohammerah can be depended upon to remain neutral, and, as the friend of both parties, would probably endeavour to arrange an agreement to keep up freights between them.

I have, &c.

(Signed) EVELYN GRANT DUFF.

Inclosure in No. 16.

Consul McDouall to Mr. E. Grant Duff.

(No. 13.)

Sir,

Mohammerah, August 4, 1906.

IN reply to your despatch No. 7, dated the 8th ultimo, regarding the Euphrates and Tigris Steam Navigation Company and Haji Moin-ut-Tujjar, I have the honour to inform you that during the last sixteen years the Company and Haji Moin have always expressed an anxiety to come to some agreement, and have at intervals attempted to do so. In the earlier negotiations here it appeared that Moin wanted money to work his Concession, but was not prepared to give up the management, whereas the Company were only prepared to advance money on condition that the Moin should be a sleeping partner. Difficulties were also raised by the Persian Government, who on one occasion refused to sanction an agreement on some matters only between the parties. On Moin's return from London in December 1905 he told me that he had made a final attempt, with the assistance of Colonel Picot, to come to an arrangement with Messrs. Lynch and failed.

Moin-ut-Tujjar has for many years been agent to Messrs. Ellinger, of Manchester, for cotton and other goods, and he ordered a steamer through them, which was built by Messrs. Ritchie, Graham, and Milne, of Glasgow, and put together here, and will commence running to Nasserib next week. She is said to take 80 tons cargo, and to tow a barge taking 100 tons. No barge has yet arrived, but several are expected. Meantime the Moin has hired a barge belonging to the Rais-ut-Tujjar for six months for 200 tomans.

The Moin holds the Concession for the monopoly of the navigation of the Upper Karun, with the exception of one steamer—i.e., the "Shushan." He has been trying to buy a suitable vessel for this, but hitherto without success.

The agency of the steamer at Mohammerah has been given to an Ispahan Armenian named Basil, until lately in the employ of Messrs. Lynch, and he has also been appointed to represent M. Ter Meulen as agent of the Hamburg-American steamers. M. Ter Meulen is said to have obtained the agency of the Moin's steamer for M. Basil. M. Ter Meulen, as a Dutch merchant endeavouring to establish a forwarding agency for up-country, would naturally encourage any opposition to Messrs. Lynch which would tend to reduce freights, so that his support does not necessarily imply that it is given as Russian Agent.

[1682]

There seems no reason to suspect that any foreigners are concerned, as all the Moin's correspondence on the subject of the steamer, barges, &c., is with Messrs. Ellinger, a British firm. When the Concession was first granted, an opinion was expressed that possibly the Amin-es-Sultan was interested, but nothing ever transpired to support this surmise.

The Company apparently do not understand the relationship between the Sardar Arfa, the Rais-ut-Tujjar, and Moin-ut-Tujjar. The Moin has for some years been the agent of the Sardar Arfa in Tehran, and for a longer period the Rais-ut-Tujjar has been agent at Mohammerah to the Moin-ut-Tujjar for sale of goods exported on Moin's account by Messrs. Ellinger.

The Sardar Arfa may, I think, be depended upon to be neutral, and he, as a friend to both parties, would endeavour to arrange an agreement to keep up freights between them.

The Rais-ut-Tujjar informs me that the Company have never replied to certain proposals he made them, the agreements formerly existing between them having expired, or being on the point of expiration.

At present about three-quarters of the cargo carried by the Company is through cargo for Shuster or the Bakhtiari road, and the majority of the local cargo is carried by native sailing boats. There is a probability of the Moin being able later to obtain some of the Shuster cargo from Bombay, but in my opinion at first his competition will be largely with the sailing boats. Haji Rais-ut-Tujjar has very great influence with the local merchants, and consequently can control a good deal of the local cargo. It would probably be of advantage to the Company if they allowed the Rais a percentage on the freight earned for local cargo, which would secure his neutrality at least.

The Company are quite correct in their opinion that the Sardar Arfa and the Rais-ut-Tujjar would prefer to keep in with both parties, and the relationship between them makes this obvious.

It appears probable that the purchase of this steamer is a last attempt of the Moin-ut-Tujjar to compel the Company to agree to the arrangements which he wishes.

I have, &c.
(Signed) W. McDouall.

[33005]

No. 17.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)
(No. 236.)

Sir,
Gulahek, September 13, 1906.
WITH reference to my telegram No. 238 of the 10th instant, I have the honour to report that the Grand Vizier yesterday informed me that his predecessor in office had given permission for the establishment of a German bank in Tehran. His Highness, who seemed to know little about the details of the scheme, said that recently he had heard nothing of the matter.

Mr. Rabino states that he has heard nothing on the subject, but, from a commercial point of view, he regards the foundation of such a bank with equanimity.

I gather that the Imperial Bank of Persia and the Banque d'Escompte amply suffice for the needs of Tehran. The position of the former is now very strong, and its small notes are, I find, accepted by villagers 20 or 30 miles from the capital. Even two years ago the peasants refused to accept anything but silver coin.

At present the proposed German bank is only interesting politically as furnishing additional proof that the German Government is taking an interest in this country.

I have, &c.
(Signed) EVELYN GRANT DUFF.

[33006]

No. 18.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)
(No. 237.)

Sir,
Gulahek, September 13, 1906.
I HAD the honour to receive your despatch No. 111 of the 20th July last, instructing me to make inquiries regarding an Oil Concession stated to have been granted to the Minister of War.

I inclose a Memorandum by Mr. Churchill, which shows that two such Concessions

have been granted to Vali Khan Nasr-es-Saltaneh, formerly Governor-General of Ghilan, and now Chief of the Artillery at Tehran, to work the petroleum deposits on his own estates in Mazanderan (including Tunkabun, Kudjur, and Kalaristag) and on his land at Talish Doulab in Ghilan, a few miles west of Enzeli. The first Concession was apparently given to him by Nasr-ed-Din Shah, while the Ghilan Concession was granted during the present reign.

The late Persian Minister at Berlin, Moayyed-es-Saltaneh, has acted as agent in Europe for the Concessions, but up to the present the efforts made from time to time to induce foreign capitalists to take an interest in them do not appear to have been attended with success.

I would add that the Minister of War is the Naib-es-Saltaneh, a younger brother of the present Shah, while the concessionnaire's title is Nasr-es-Saltaneh.

The Mushir-ed-Dowleh states that no Oil Concession has been granted to the former.

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure in No. 18.

Memorandum by Mr. Churchill respecting Oil Concessions.

TWO Concessions have been acquired by Vali Khan Sepahdar, the present Minister of Telegraphs, better known as Nasr-es-Saltaneh, for working the petroleum deposits on his own estates in Mazanderan and Ghilan.

The first Concession was given by Nasr-ed-Din Shah for the Mazanderan petroleum, including Tunkabun, Kudjur, and Kalaristag; the second was given by the present Shah for Talish Doulab, in Ghilan, a few miles west of Enzeli.

The Sepahdar entered into an agreement with a Russian Company some years ago with the object of working the Mazanderan oil, and surveys were made. No actual work was undertaken, and the contract has now terminated. The Sepahdar states that the Russian engineer who surveyed the land and examined the natural petroleum pits gave him confidentially an excellent report on them, but his Excellency holds the view that the Russian Government would oppose the enterprise in view of its possible competition with the Baku industry. They would, he thought, certainly oppose English participation on political grounds, and as the estates in question are near the sea coast east and west of the Chalus River, he realizes that the question of transport would, in view of probable Russian opposition, be practically an insuperable difficulty, though he spoke of using Persian sailing craft for transport to the Ports of Enzeli and Bender Gez, or an alternative inland route direct to Kazvin.

The negotiations reported by Mr. Preece in his letter to Sir Edward Grey of the 17th July were initiated by Moayyed-es-Saltaneh Mirza Reza Khan, recently Persian Minister in Berlin, who is now travelling in Europe in a private capacity. This gentleman, through his long residence in Germany, has many connections in that country with financial and other groups. He has on several occasions entered into negotiations with continental financiers for the purpose of floating a Persian loan, but always unsuccessfully. When about to proceed to Europe privately last year he induced the Sepahdar to allow him to try and negotiate with European capitalists, preferably German, Belgian, and Dutch, for the exploitation of the Sepahdar's Concessions, copies of which, with full particulars, he took with him.

The Sepahdar states that he lately received a telegram asking that Moayyed-es-Saltaneh should be given full authority to act on his behalf in the matter of the transfer of the Concession, which he did.

(Signed) G. P. CHURCHILL.

Gulahek, August 31, 1906.

[33007] No. 19

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)
(No. 238.)

Sir,
Gulahek, September 13, 1906.
I HAVE the honour to forward a copy of a letter from Lieutenant-Colonel J. A. Douglas, Military Attaché of His Majesty's Legation, regarding General Padowetz and

Colonel de Kostersitz Marenhorst, two retired officers of the Austrian army, who have been engaged by the Persian Government as instructors of the army.

It would appear that other retired Austrian officers are disposed to seek employment in the Persian army, but are at present waiting for a report from those already engaged.

Colonel Douglas is of opinion that under the present régime it would be sanguine to expect that the presence of these officers will benefit the ill-conditioned mob of starving ragamuffins which constitutes the Persian "army."

I have known many European "generals" here during the last fourteen years, but, with few exceptions, I do not think that they did anything in return for the salary (often in arrear) paid by the Persian Government. They usually play cards and quarrel among themselves, and probably do not see a Persian regiment half-a-dozen times a-year.

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure in No. 19.

Lieutenant-Colonel Douglas to Mr. E. Grant Duff.

(No. 50.)
Sir,

Gulahek, September 13, 1906.

I HAVE the honour to inform you that I have lately had some conversation with the Austrian General Padowetz, who, with another Austrian officer, whom I have not yet met, but whose cards bear the legend "Artur de Kostersitz Marenhorst, Colonel d'Artillerie Impériale Persane," arrived in Persia about a month ago. I understand that both these gentlemen are retired officers of the Austrian army, and that the arrangement under which they have come to Persia is purely a private one between themselves and the Government of this country.

General Padowetz informed me that up to the present neither he nor his colleague had had any duties assigned to them, but that they were told that this would be done on the return of the Court to Tehran. He seemed to think that their first employment would be in connection with the training of the troops, which have for some months been collected in camp outside the city.

He also told me that several other Austrian officers, who were engaged at the same time as himself, are now in readiness to come out, but are waiting to hear from him further particulars regarding what is required of them before doing so.

It seems probable that these gentlemen, like the majority of foreign officers who have during the last few decades accepted employment under the Persian Government, will soon find their position so unsatisfactory, and their authority so limited, that they will either resign their appointments or, should they remain in this country, will cease to take any interest in their duties and will do practically nothing. And, indeed, it would be sanguine to expect that, under the present régime, any real good to the Persian army can result from the introduction of foreign instructors, so long as these latter are charged merely with the task of training the few regiments which are in the capital, but have practically no authority over them, and have nothing whatever to say to their enlistment, payment, equipment, and interior economy generally.

I have, &c.
(Signed) J. A. DOUGLAS, Lieutenant-Colonel,
Military Attaché.

[33008]

No. 20.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 239.)
Sir,

Gulahek, September 13, 1906.

IN my telegrams No. 225, 226, and 227, I had the honour to give you a full account of the cession to the Russians of certain privileges on the Meshed-Seistan telegraph line and of the representations which were made to the Grand Vizier on the subject.

I have little to add to the information contained in these telegrams, but I saw the

Grand Vizier yesterday and taxed his Highness with having given further concessions to the Russians in respect of the Seistan end of the line, in accordance with information I had received from His Majesty's Consul at Seistan (see my telegram to you No. 240 of the 12th September).

His Highness denied that he was in any way responsible for concessions beyond those which had been accorded under the Shah's "Dastkhatt," which was in the form of a Minute on a note from the Russian Legation asking for the removal of the instruments at Meshed to the Russian office there. Nothing had been said in this note about the Seistan end of the line, and his Highness assured me that the orders which he had issued to the Minister of Telegraphs applied only to the Meshed end. He promised to make inquiries and to give strict orders to the Minister of Telegraphs that nothing must be conceded to the Russians beyond what they had asked for in their note and beyond what the Shah had approved in his Minute.

I myself have not seen the Russian note, but the Grand Vizier's son brought it to Mr. Kidston, who assures me that the Russian demands, as approved by the Shah, were confined to the removal of the instruments at Meshed to their office. The Grand Vizier has promised to furnish me with a copy of the note and of the Shah's "Dastkhatt."

I have the honour to inclose a copy of the note which I addressed to the Grand Vizier on the receipt of the telegram from Seistan reporting that the Russians appeared to be tampering with that end of the line.

With regard to our status on the Meshed-Tehran line, it was pointed out in my telegram No. 226 of the 30th ultimo, that neither end of the line was in our office. This statement was made on the authority of the Director of the Indo-European Telegraph Department (Persian Section), but he informs me, on further inquiry, that it must be modified. The wire, both at Meshed and in Tehran, passes first to our instruments, which are in rooms occupied by the officials of the Department, though situated in buildings belonging to the Persian Government.

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure in No. 20.

Mr. Grant Duff to Grand Vizier.

September 12, 1906.

I HAVE the honour to inform your Highness that I have just received a telegram from His Majesty's Consul in Seistan stating that the Russian telegraphists there are now arranging for a separate room in the telegraph office instead of sharing a room in common with the Persian and English operators as heretofore.

It is further rumoured that the batteries and instruments are to be moved into the Russian office and that the line will be led through it.

I have already warned your Highness of the very serious view which His Majesty's Government take of the concession already made to the Russians with regard to the Meshed end of the line, and I strongly urged that no further concessions should be made, especially in respect of the Seistan end.

I have been given to understand that the Rescript of His Majesty the Shah, in view of the existence of which your Highness maintained that you were powerless to resist the Russian demands, applied only to certain modifications in the arrangements at Meshed, and that nothing was said in the Russian note of any change at Seistan.

It was, therefore, with great surprise that I heard that there was any intention of altering the *status quo* in Seistan, and I earnestly trust that your Highness will be able to send me an immediate reply in writing to the effect that there is no truth in the rumour. I trust also that your Highness will warn the responsible officials, who, if the report which has reached me is true, have doubtless acted without your Highness' authority, that there must be no further modifications in the status of the line save those already sanctioned at Meshed.

I cannot sufficiently impress on your Highness the serious view which His Majesty's Government take of this question, and I have the honour to request that I may be favoured with an early reply, in order that I may reassure Sir E. Grey as to the attitude of the Persian Government in the matter.

I have not yet received the copy of His Majesty the Shah's "Dastkhatt," with a copy of which your Highness last Wednesday promised to supply me.

[33009]

No. 21.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)
(No. 240.)

Gulahek, September 14, 1906.

Sir,
I HAVE the honour to inclose herewith the monthly summary of events in Persia for September, which have not been recorded in separate despatches.

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure in No. 21.

Monthly Summary, 13th September, 1906.

Tehran.

1. THE Shah leaves his palace in the hills in a day or two, and proposes to go to his new palace at Ferahabad nearer the town. This is the signal for the general autumn move back to town from the hills, and the Grand Vizier, who goes to town at the same time as the Shah, will take with him the Foreign Office and all the Government officials.

2. The Shah's health is reported to have undergone a change for the worse during the last few days.

3. The ex-Grand Vizier, who returned to the vicinity of Tehran after a short stay in the hills, received the visit of a clerical gentleman of note, a Prince of the Royal Family like himself, who is on terms of friendship with His Majesty's Legation. The Ain-ed-Dowleh said to his visitor that if the country was about to have a constitution, there was no reason why he should not remain at Tehran and have a vote like others, or even, as a member, have a voice in the affairs of the Government. His Highness' clerical relation told him exactly what the people thought of his late administration, and that the National Assembly proposed to investigate its financial aspect. His Highness was greatly disturbed, and made arrangements for immediate departure, which were precipitated by categorical orders from the Shah to leave without further delay. It is not certain yet where the Ain-ed-Dowleh proposes to go, but it is thought that a pilgrimage to Meshed will be the first step.

4. The Russian Minister has confidentially informed Mr. Grant Duff that after the people took asylum at His Majesty's Legation in July, the German Chargé d'Affaires approached him with a view to a joint protest on the ground that our action was not in accordance with international law. M. Hartwig declined to have anything to do with the matter.

Baron Richthofen has lately given His Majesty's Legation trouble in non-official ways, and seems to imagine that his mission in Persia is to fight the English. He meets with little sympathy, and his political antics cause general amusement, especially to the English and Russian Legations.

5. Prince Ala-es-Sultaneh, G.C.V.O., has been appointed Foreign Minister. His Highness will be succeeded in London by his Excellency Mohtashem-es-Sultaneh, who has been for some years Under-Secretary for Foreign Affairs.

Meshed.

1. The Turkomans are reported to have made several raids on Persian caravans. On one occasion the property looted was said to be worth about 1,000*l.*, for which the Governor-General of Khorassan is being pressed by the owners.

2. His Majesty's Legation hears from a secret source that the Russian Legation has pressed the Persian Government for the dismissal of Assef-ed-Dowleh, the Governor-General of Khorassan; and Major Kennion asks that he should be supported, as he has so far shown himself friendly to our interests. Major Sykes also had a good opinion of this official, and it would be a pity should his removal be brought about.

3. The Shrine officials, in recognition of the work of our hospital assistant at Meshed, have presented him with a medal. This is quite an unprecedented compliment, and, in the opinion of Major Kennion, illustrates the political advantage which may be derived from sending first class Mahomedan hospital assistants to Persia.

4. Some pamphlets, printed in the Caucasus, have been circulated in Meshed inciting the people to rebel against the existing régime in Persia. This is probably the work of Armenians, and was probably not done with the knowledge of the Russian Consulate-General.

5. The son of a prominent Mollah of Meshed returned to that city lately from Russia apparently freshly imbued with revolutionary ideas. He accused the Mollahs of Meshed of cowardice for not vigorously supporting the Mollahs of Tehran in the recent disturbances.

6. The recent events at Tehran have had a considerable effect at Meshed, where the British are considered the champions of Persian freedom. British prestige has much increased in Meshed in consequence.

Turbat-i-Haideri.

Captain Keyes, His Majesty's Consul, left Turbat on the 6th August on a tour to the Afghan frontier, and reached Karez on the 10th. He then marched north along the border, and reached Zulfikar, where the frontiers of Russia, Persia, and Afghanistan meet. He then proceeded to Pul-i-Khatun, and from thence travelled again west along the Keshef River to Meshed. Captain Keyes inspected the Persian Cossacks posted along the frontier, and reports that they are more or less under Russian control and were evidently posted according to the indications of a Russian officer well acquainted with the district. Major Kennion writes that the Governor-General of Khorassan stated that these posts have nothing whatever to do with the quarantine cordon, but were established for the protection of the frontier, in accordance with general directions received from Tehran. There are apparently three or four Persian Cossacks at each place, under the orders of a petty officer of the Cossack Brigade, and under the supreme control of a certain General Ali Khan.

Seistan.

1. The Deputy Governor has shown more than usual want of energy of late, and His Majesty's Acting Consul has been obliged to press him a good deal to take up some long outstanding British cases.

2. The special official sent from Tehran to investigate into the disturbances of last March has so far not decided the matter or given us satisfaction, and negotiations are still in progress. Before leaving Tehran, this official, who is on friendly terms with His Majesty's Legation, promised to do his best in the matter, and secret instructions were sent to Seistan as to the manner in which he should be dealt with. Like a good many of his class, he is amenable to certain influences. He has apparently acquired considerable power in the district, and has been appointed to command the Persian troops in Seistan.

3. The medical officer on plague duty in Seistan writes:—

"Plague, as an epidemic disease, may now be said to have come to an end in Seistan. No death have occurred in Husseinabad during the week, and only two deaths are reported from Nasratabad, the rest of Seistan being apparently free from plague" (22nd July).

Shiraz.

The clergy of Tabreez telegraphed to their colleagues at Shiraz at the end of July with reference to the events at Tehran, and asking for their support in the movement to overthrow the Ain-ed-Dowleh, which the Shiraz clergy promised to give. During the whole period of the Tehran agitations there seems to have been a sympathetic movement at Shiraz. The people, however, had personal grievances in connection

with the Shoa-es-Sultaneh's purchases of Crown lands, and the result was the demonstration of the 21st August against the bank and Europeans. This has been reported upon fully in a separate despatch.

Isfahan.

His Majesty's Consul-General reports that His Highness the Zil-es-Sultan sent the Sheikh-ul-Arakein, a prominent Mollah of Isfahan, on a secret Mission, apparently with the purpose of ascertaining the views and intentions of the Mollahs of Tehran, who were then at Kum. The Sheikh called on Mr. Barnham before leaving, and mentioned the widespread sense of gratitude which was felt at Isfahan among all classes for the hospitality shown by His Majesty's Legation to the political refugees during the recent crisis. On his return from Kum, Agha Seyed Abdullah presented the Sheikh to the Shah.

Kerman.

The Ferman Ferma, Governor-General of Kerman, was once a prime favourite with the Shah, and aspired to the post of Grand Vizier. He brought about the downfall of the Amin-es-Sultan from that post in 1896, but on the return of the latter to power in 1898, the Ferman Ferma was exiled, and has never since been to Tehran. It is not surprising, therefore, to hear, on learning of the Ain-ed-Dowleh's dismissal, the Ferman Ferma entertained hopes of returning to Tehran, and even of aspiring to the Premiership. There appears at present to be little likelihood of such an eventuality.

Kermanshah.

1. There have been demonstrations of a popular nature directed partly against the Imperial Bank, a native employé of which has been accused of cornering grain and other malpractices. The chief office is making inquiries into the matter.

2. The clergy of Kermanshah have agitated in sympathy with their colleagues at Tehran, and put a stop to some festivities in connection with a native marriage ceremony on the ground that while the whole country groaned under the misrule of the Government it was not an appropriate moment for festivities. Force was used on both sides, and the clergy, who got the worst of the encounter, insisted on the punishment of their adversaries, which the helpless Governor was forced to carry out.

Resht. Tabreez.

Reports of demonstrations of sympathy on the part of the clergy both at Tabreez and Resht with the Tehran agitators have reached His Majesty's Legation. It would seem, in fact, that the whole country was in sympathy with the movement directed against the Ain-ed-Dowleh's administration, and that his downfall and the granting of the demands of the people did not come a moment too soon.

(Signed) G. P. CHURCHILL,
Acting Oriental Secretary.

MATTERS dealt with in separate Despatches.

Despatch No.	Date.	Subject.
	1806	
217 and 218	September 8	Russian intrigues.
219, 230, and	" 8, 11, 13 ..	Perse-Turkish frontier dispute.
241		
220	" 8	Karun irrigation.
221	" 8	Shah Takhti-Urmi road Concession
222	" 10	Importation of arms for Seistan and Meshed.
223, Confidential	" 10	Decoration for Valahd.
224 and 232	" 10, 12	New National Assembly.
225 and 227	" 10, 11	D'Arcy Petroleum Syndicate.
226	" 11	Reform movement.
228	" 11	Seistan disturbances.
229	" 11	Vali of Pusht-i-Kuh.
27 and 28, Commercial	" 12	Plague in Seistan.
231	" 12	Situation in Fars.
233	" 12	Moin-et-Tujjar's Concession at Hormuz.
235	" 12	Trade on Karun.
236	" 13	Proposed establishment of German Bank at Tehran.
237	" 13	Oil Concessions of Nasr-es-Sultaneh.
238	" 13	Austrian Instructors for Persian Army.
239	" 13	Meshed-Seistan telegraph line.
29, Commercial	" 13	Indian Commercial Mission to Southern Persia.

[33010]

No. 22.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)

(No. 241. Secret.)

Sir,

Gulahek, September 13, 1906.

WITH reference to my despatch No. 219 of the 8th instant, I have the honour to forward a translation by Mr. Churchill of a cypher telegram sent by the Persian Commissioner on the Turkish frontier to the Grand Vizier. You will see that the Ehtesham-es-Sultaneh reports that there are only now 6,000 men at Passova, and that so far the Turkish Commissioner has taken no steps to begin a discussion of the points in dispute.

I asked the Grand Vizier yesterday whether he had any recent news from the frontier. His Highness replied in the negative, but promised to inform me should he receive any important information.

The Turkish Military Attaché not long ago informed me confidentially that his chief was left almost in complete ignorance of what was taking place at Constantinople with regard to the matter. He believed that the Sultan and the Turkish Minister of War alone knew what was passing on the frontier and what the Ottoman Government really intended to do.

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure in No. 22.

(Translation.)
(Telegraphic.)

Ehtesham-es-Sultaneh to the Sadr Azam.

[Received early in September 1906.]

YOUR cypher telegram has been received. With regard to your instructions to send a merchant traveller to collect information with regard to the movements and intentions of the Turks, I would explain that there is no trade in those parts, and they would not allow a traveller to enter. The intention of the Turks can be better found out by the Persian Representative at Constantinople. I have taken steps to acquire news with regard to their movements and their troops. I employ persons who are not suspected of being spies, who give me daily news of them separately. A Persian tribe

which has moved to the other side also furnishes me with regular news, and is ready to return to this side whenever I wish, but I do not think such a step is desirable at this moment. In accordance with the wishes of this tribe, I have got into touch with two other bands, and will soon have the three in my service to act as my agents on the other side.

You are well aware of the result of my action. When the Commission arrived on the frontier it was clear to you in what a state of disturbance and disorder the country was in, and you now know how I have brought about order.

The latest information I have received is that there were at Pasva 17 "taburs" (battalions) of soldiers, each battalion composed of 800 men; total, 13,600. The period of service of half the men of each battalion has now expired, and they have received their papers and have been dismissed. One battalion had a dispute with the natives and has been sent back, and one battalion has died of disease. At the present moment there remain 15 battalions, composed of 400 men each; total, 6,000 men. The Bagdad troops had Martini rifles, but Mausers have been brought for them, and the Martinis have been taken away.

The troops have no provisions, and when Zekki Pasha came they were eating barley bread. 200 camels were dispatched to bring provisions to Pasva from Keui Sanjak and other places.

Khamyeh Agha has been made a Major and Bayet Agha has been made a Pasha. Mohammed Amin Agha is constantly with Mohammed Pasha Ferik in Council. 200 of the Turkish soldiers and one officer have been put under arrest by Mohammed Pasha for oppressing the people and four of them were beaten to death. Ezzet Pasha is with Zekki Pasha. Mohammed Pasha Ferik expressed the opinion that there were too many troops there, and made suggestions for their transfer elsewhere.

Sheikh Sadeek is intriguing with the Turks in order to get back possession of the villages of Merkur which the Persian Government sold to Sheikh Obeidullah, and subsequently to Salar Afkham.

All the above information has been verified and cannot be disproved.

I am trying to get Jaafer Khan to arrange matters on the other side with Sheikh Sadeek and turn him from his present intentions, and I will inform you of the result.

You are, of course, aware of the murder of Mirza Ali Khan, the Director of the customs post at Ashmuyeh. They came at night and attacked him in his bed, and he died with sixteen wounds. They afterwards robbed everything he possessed. It appears there were eight persons, and one of them went home with a bleeding wound, which gives us a clue. I have sent a man to make inquiries.

With regard to my own relations with Zekki Pasha and Mohammed Pasha, I would remind you that it is their duty to inform me of their readiness to enter into discussions and to show me their credentials as I did on arrival, but they have, so far, taken no step in this direction, and I cannot make the first advances for fear of a refusal.

My views on the subject are still unchanged, and I still hold the opinion that we should not enter into discussions with the Turks until their troops are withdrawn from Pasva.

[33012]

No. 23.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 1.)
(No. 243.)

Sir,

ON receipt of your telegram No. 86 of the 23rd June, I instructed Captain Lorimer, His Majesty's Consul at Ahwaz, to inspect and report on the Bakhtiari road.

Unfortunately, before my telegram reached Ahwaz, Captain Lorimer had left his post on tour, and did not receive my instructions until he reached Ispahan.

He has subsequently informed me that the Bakhtiari Khans deny having stated that the road was ready for inspection. They distinctly did make this statement before Mr. Churchill and myself when they came to take leave of me last June.

I have now instructed Captain Lorimer to ask the Khans to inform both the Legation and himself in writing when the promised repairs have been completed. He is then to report fully on the general condition of the track, bridges, and caravanserais.

I have the honour to inclose a Report by Captain Lorimer on that portion of the

road which he traversed on his way to Ispahan. This Report covers the section from near Kala Tul to Ispahan. I do not gather that that portion of the track is at present in quite such a bad state as Messrs. Lynch's agents have declared.

I have, &c.

(Signed) EVELYN GRANT DUFF.

Inclosure 1 in No. 23.

Vice-Consul Lorimer to Mr. E. Grant Duff.

Camp No. 6, Ispahan, July 21, 1906.

WITH reference to your telegram No. 111 and my letter Camp No. 3, dated the 15th July, 1906, I have the honour to forward herewith a note on the condition of the Bakhtiari road, as it was in June when I travelled up it.

The state of the track is the least serious of the problems affecting the good name of the road. The deficiency of supplies and the presence of guards on the road are more effectual in disgusting muleteers.

These points are mentioned in the attached note, but they have been more fully dealt with in my diary dispatched on the 10th July, 1906, of which a copy will doubtless eventually reach you via Bushire.

In some places the narrowness of the track becomes a source of danger (even where its superficial condition is satisfactory) in case of a chance meeting of caravans or animals travelling in opposite directions.

With a caravan of forty-seven mules I met with no accidents or losses; and an Armenian on the road behind me travelled by night without *contretemps*.

(Signed) D. L. R. LORIMER, Captain.

Inclosure 2 in No. 23.

Report by Vice-Consul Lorimer on the Condition of the Bakhtiari Road.

THE tour which afforded material for the following Report was comprised between the 3rd June and the 13th July, the dates of leaving Naseri and arriving at Ispahan respectively.

Leaving the track at Alwaniya, where it enters Bakhtiari territory, and travelling via Ramuz and Mamatain, I only rejoined it on the 10th June between Bagh Malik and Kal'a Tul. On the intervening portion I am therefore unable to speak from personal observation.

I have, however, inquired from an intelligent Armenian, lately Lynch's agent at Shuster, who travelled up the road just behind me.

He stated that the road between Jaru and Chishma-i-Rughani, and for some distance on, is very bad, the roadway, which is cut in soft gypsum, having been broken or washed away in places. This portion, he said, was as bad as, or worse than, it was when he travelled up the road three years ago.

On the other hand, the rest of the track up as far as Chighakhar, where I met him, had been much improved during this period.

Bagh Malik to Kal'a Tul.—There is nothing to complain of. A little stone clearing might be done at Pul-i-Bunda, some 3 miles short of Kal'a Tul.

Kal'a Tul to Malamir.—The same remarks as above. The stony part in this case is the descent to Halagun. There is a shorter route, which I did not see.

Malamir to "Godari-Balutak" (wrongly so-named for Pul-i-Shatū).—The first ascent after leaving Malamir is that of the Küh Farah. The track winds up a steep, rocky, round-faced spur. It is impeded with loose stones, and in a number of places the bare rock is exposed, which affords a bad foothold for mules. The gradient is too steep to retain a surface dressing of earth for any length of time. The upper part has been covered with a coating of limestone or gypsum powder, which makes it impossible to see what it was like before. This was done quite recently by the Salar Arfa' when he was at Malamir.

The short descent to the succeeding plateau requires clearing of stones. The descent from this plateau is rocky, steep, and stony for the first 100 yards, and after a short interval it takes the old "Sultani Road."

This is cobbled with large stones about 1 foot in diameter, and is steep and slippery.

This continues for 200 or 300 yards. I doubt if there is any cure for this section short of reconstruction, and as the space is confined, being the bottom of a gorge, this would present difficulties.

Quitting the gorge the road turns to the right down a larger valley. It is a mere track, but till Chishma-i-Khatun is passed and Kala Madrasa is nearly attained it is not very difficult. At the latter point it is narrow and steep, cut in places into an earth hill which does not give permanency. Following the left bank of the stream below Kala Madrasa for a few hundred yards, the road is steep and obstructed with boulders and stones. The stream is then crossed, and the track cuts along the face of a precipitous hill. It is rough in places and capable of improvement. The Gardan-i-Zir Kuh is reached and is followed by a descent which badly requires earthing.

The Bard-i-Para ("split boulder") is then passed, and before reaching the last "Gardan" a bad, rocky spot is crossed. The descent from the "Gardan" (from which the Godar Sarai becomes visible) is very steep and gritty. The track is largely to blame. The immediate approach to the bridge is very bad. It passes over a steep slope of exposed rock and then over a very steep patch of boulders. This wants improvement if not alteration. The bridge superficially appears to be in a good condition. This stage is, in my opinion, too long. I broke it at Chishma-i-Khatun, but this is represented as a very dangerous place from the point of view of robbery. My next stage was Rikat, 4 or 5 miles beyond the bridge.

Godar to Deh Diz.—A few hundred yards beyond the bridge the track takes the right bank of the river, which it ascends. In many places it is cut into the naked rock and is difficult and slippery. Falls might be attended by accidents—even by animals being precipitated into the river. Some couple of miles on it quits the river by a steep zigzagging causeway. This affords a bad foothold, is difficult to climb, and must be worse to descend. From 5 or 6 miles above Godar the track crosses a succession of lateral nullahs. The descents and ascents of the sides of these are in many cases steep, and are either gritty or stony. There is one small outcrop of rock.

I did not notice any particularly difficult or dangerous spot near Kulmat to correspond with that mentioned in Mr. Parry's Report of 1903.

Deh Diz to Shatel.—From the village of Deh Diz there is a steep ascent of half-an-hour. The caravanserai is still lower down. This ascent is in some places susceptible of improvement. An hour further a bad descent commences to the neck known as the Dar-i-Rah-i-Marwari. It occupies about fifteen minutes. For the most part the track zigzags over a rocky surface on which earth is deficient. It is much covered with big stones, and there is a lot of exposed and rather slippery rock. At the bottom the soil changes to gypsum. This is soft and the roadway has disappeared. The inclines of the paths followed is very steep, and the surface being smooth with a superimposed layer of grit, it does not afford a very certain footing. This latter section, which is quite short, could easily be rectified, but to put the upper part in thorough order would be a big piece of work, and would not be permanent in its results.

From the neck mentioned above the track rises to the Didgah-i-Marwari, becoming steeper and steeper as it advances. In my opinion it is too steep for caravan traffic. At the very top there is a bad piece of exposed rock, but it is only a few yards long.

From here the descent to the Pul-i-Amarat commences. It is very severe; the track zigzags sharply the whole way. The surface is gritty, gravelly, and stony. In many places the revetments are broken away. Lower down there are boulders and exposed rock. No road so constructed in a similar situation can be expected to keep for any length of time in good repair. To make it really satisfactory now would mean much expenditure of labour and money.

I cannot help thinking that a better alignment at a lower level could have been found skirting the Didgah-i-Marwari to the west, though now it is doubtful whether traffic would ever be diverted from the existing track.

The entry to the Pul-i-Amarat is very bad—a steep surface of rough rock. The ascent up the further bank is steep, but the soil is not rocky, and the track would be easily repaired and improved.

On the level, close to the Serai, the path in one place leads between large boulders, and the gangway is very narrow. Some improvement under foot is also desirable.

Shatel to Sarkhun.—The track, at first ascending the valley of the Shatel stream, cuts across a slope of earthy detritus. As fresh descents of earth and stones and rain scourings are liable to carry away the track, it would occasionally require to be restored, and at present wants widening in some places. The labour on this would be

insignificant. After 2 or 3 miles the road, leaving the valley, strikes up the hillside. It is a long and steep zigzagging ascent, but the surface of the track is good. The ascent accomplished, the road continues easy till the Gardan-i-Laghgamir is reached, when an hour's descent follows. It is rather steep and gritty, but in fair repair. A mile further on the ruined Sarkhun Sarai is reached.

Sarkhun to Dupulun.—The track ascends the stony bed of a gorge, at present dry, but probably liable to change to a torrent. Leaving this gorge it ascends the hill to the left, which it then skirts. There are occasional sharp descents. Gandum Kal, immediately below the Gardan-i-Barrah Murdah, is reached without further difficulty up slight incline.

The final ascent to the pass is a series of steep zigzags up a bouldery and gravelly hillside. The track is impeded by loose stones, and revetting walls have been broken away, giving the impression that the tribes, on their migrations with their cattle, do not adhere to the path.

Reaching the top the road continues fairly level for a mile, and then crosses a low "Gardan," where it becomes rather rocky and stony, and begins to descend. There is a long very stony stretch which is washed out by rain, and then before the bridge over the Karun is reached a series of very sided ravines is crossed. Over the latter part, however, the surface is good. Higher up it is for a long distance over a slope of loose stones. The bridge itself, a single-brick arch, is shored up with timber. It does not look a good piece of workmanship, and is being allowed to get into disrepair. The paving of the road surface has been much knocked up.

The ascent from the bridge to the caravanserai beside it is rocky and bad.

A few hundred yards further on Dupulun is reached by a narrow, uneven timber and wattle bridge over the Sabzab ("Sauzan").

If the Naghun route made by the Khans is adopted this bridge has to be crossed, but if the original alignment via Ardal is adhered to it is avoided. For facility of supplies caravans all use the Naghun route. (I myself followed the route to Ardal.)

Dupulun to Ardal.—The route follows up the right bank of the Sabzab; three quarters of a mile up it ascends precipitously 100 feet or so up a rocky spur, and then descends by a very steep gradient across the face of an earth slope, regaining the bottom of the valley. This place requires attention. About a mile further on the road ascends the mountains on the left hand. The ascent is rocky and stony and extremely steep. In some places, by the breaking away of the roadway, the track is very narrow. In one place it has been indifferently repaired by timber revetting. The radical fault lies in the alignment and gradient, but this part of the track certainly wants attention. The rest of the road to Ardal is excellent, except just at the village, where minor improvements might be made.

Ardal to Siligun.—June 24, 1906.—The track is on the whole good over a long ascent. At the top, however, it follows the line of natural drainage, and has been washed out. It is in consequence stony and rough. At Siligun this route is joined by that from Naghun; the road also bifurcates, the Chighakhar branch, which I followed, taking off to the right from the direct Ispahan road. On the remaining portion of the latter I am at present unable to report.

The longer and most easterly route taken by me from Chighakhar via Urijan was excellent.

Caravanserais.—I found caravanserais at Malamir, Godar, Deh Diz, Shatel, Sarkhun, and Dupulun. They are useless as lodging places, and travellers and caravans appear to eschew them entirely. That at Sarkhun is in ruins.

Their chief function is the provision of supplies, but in this matter they were equally deficient when I travelled up. There were no stocks on hand. As regards grain and fodder, it should be noted that the new crops were not in when I travelled up, and that last year's are said to have been bad. My animals missed several feeds at Ardal, even when the Khans were doing their best to supply me.

Bridges.—Superficially regarded, the iron bridge at Godar appeared to be in good order, and not to be in need of painting or repairs. I am subsequently told, however, that there is an old crack in one of the masonry piers, and that this is increasing. It escaped my own notice.

The iron bridge of Pul-i-Amarat appeared to be in excellent condition.

The state of the brick bridge over the Karun at Dupulun has been already noticed above.

"Tufanchis."—The road-guards placed on the road from near Malamir to Gandum Kal are a source of much discredit to the road. They are necessary to prevent robberies by the Kuhgulu, or others acting in their name, and of course make demands

on all passengers, requiring tea and sugar, &c., and in some cases levying pecuniary tolls. The Salar Arfa' has sent down to have them fined and punished, but the permanent cure of this evil is only to be looked for in the removal of the guards, and that is dependent on the effectual repressal [sic] of the Kuhgulu. The Khans are at present debarred from taking effectual steps towards this.

(Signed) D. L. R. LORIMER, Captain.
Camp No. 7 [undated].

[32904]

No. 24.

Sir A. Nicolson to Sir Edward Grey.—(Received October 1.)

(No. 621.)

Sir,
I HAVE the honour to transmit herewith copy of a confidential *aide-mémoire* which I sent to M. Isvolsky this morning, and which states the conditions on which His Majesty's Government would be prepared to join with the Russian Government in making an advance to the Persian Government.

I have, &c.
(Signed) A. NICOLSON.

Inclosure in No. 24.

Aide-Mémoire communicated by Sir A. Nicolson to M. Isvolsky, September 14, 1906.

(Très Confidential.)

LE Gouvernement Britannique est prêt, sous les conditions mentionnées ci-après, de s'associer avec le Gouvernement Russe dans une avance de 10,000,000 fr. à faire au Gouvernement Persan, c'est-à-dire, 5,000,000 fr. de la part de chacun des deux Gouvernements.

Le Gouvernement Britannique propose de prendre comme garanties pour sa part de l'avance : (1) Une hypothèque, outre celle qu'il possède déjà, sur les douanes des ports dans le midi de la Perse et dans le Golfe Persique; et (2) de recevoir du Gouvernement Persan un engagement qu'aucune concession pour chemins de fer, routes, ou télégraphes ne soit accordée à d'autres Puissances à l'est d'une ligne tracée de Birjand à Bunder Abbas.

Pour ce qui concerne le mode de paiement de l'avance, &c., le Gouvernement Britannique est d'accord avec les conditions déjà proposées à cet effet par les Représentants Russe et Anglais à Téhéran.

[32911]

No. 25.

Sir A. Nicolson to Sir Edward Grey.—(Received October 1.)

(No. 628.)

Sir,
I CALLED on M. Isvolsky this morning to speak to him on one or two pending questions, and his Excellency stated that in the first place he desired to discuss what he considered to be an urgent and important matter. He alluded to the question of a joint advance to the Persian Government. He said that he had carefully studied the *aide-mémoire* which I had given him, and he had some doubts whether it was prudent to formulate demands of a far-reaching character in connection with a comparatively trifling matter of an advance of money to meet pressing necessities. I had suggested that His Majesty's Government should obtain from the Persian Government an undertaking that within a certain zone no concessions should be granted to other Powers. The Russian Government, on their side, would necessarily be bound to make some similar propositions, and this would be tantamount to dividing Persia into spheres of influence.

Such proposals would probably alarm the Persian Government, and would induce them to consider that both Russia and England were demanding very heavy payment for so simple a matter as an advance. Persia might, consequently, apply to others who would be prepared to relieve her immediate necessities on less burdensome conditions. ^{so9} He therefore was of opinion that it would be wiser to leave the larger question to

which he had alluded to be dealt with when the whole financial situation in Persia was being considered, and to treat the advance as a separate question. His Excellency made some further remarks of a confidential character in respect to the loan and spheres of influence, which I reserve for another despatch.

I told his Excellency that I would repeat his observations to you, but that I was confident that my Government would not be disposed to make an advance without some guarantees. M. Isvolsky said that a lien on the customs in the south of Persia and in the Gulf would doubtless afford all necessary guarantees for our share of the advance, and that he saw no objection to our taking those revenues as security. With respect to the Russian moiety of the advance, there were some difficulties in the way of its immediate realization. It would be necessary to obtain legislative sanction to the disbursement, and the Duma would not be convoked till the end of February, and there were also some technical considerations to which the Minister of Finance had drawn his attention and which had to be taken into account. He would propose, therefore, that in the first place we should both arrange that the repayments due, he believed in about ten days, by the Persian Government to the Imperial and Russian banks should be postponed for a time, and that we should make an advance of 200,000*l.* as soon as possible, asking for a lien on the customs revenues in the south as a guarantee. In five or six months the Russian Government would be prepared to make their advance. His Excellency added that he did not quite know where the Russian Government would find guarantees for their advance, as all available sources had already been pledged for the services of the loans already contracted by Persia with Russia, amounting in all to about 3,000,000*l.*

I told M. Isvolsky that I would communicate his views without delay to you, and added that I understood that he wished the question of a prospective loan and of spheres of influence to be postponed to a future date. M. Isvolsky said that he had no desire to postpone those questions to which I had referred. On the contrary, he desired that they should be discussed without loss of time, but he had to consult with the Emperor and with his colleagues, and would give me their views, he trusted, in a day or two.

I have, &c.
(Signed) A. NICOLSON.

[32912]

No. 26.

Sir A. Nicolson to Sir Edward Grey.—(Received October 1.)

(No. 629. Secret.)

Sir,

St. Petersburg, September 17, 1906.
M. ISVOLSKY, during our conversation this morning, observed that he wished to communicate to me his personal views with respect to the suggestion which I had made, that the Persian Government should give an engagement to His Majesty's Government that they would grant no Concessions to other Powers for railways, roads, or telegraphs to the east of a line running from Birjand to Bunder Abbas. He understood that His Majesty's Government had no objection to the Russian Government securing to themselves elsewhere in Persia another zone with similar exclusive privileges; and the proposal which I had put forward practically amounted to dividing Persia into respective spheres of influence. Personally, he could tell me confidentially he regarded with no disfavour the line which I had been instructed to propose; and he was of opinion that the only solution of the Persian question, as far as regarded Russia and England, was to be found in delimitating spheres of influence. He had, indeed, already prepared a project which defined the districts where Russia should be allowed to have a free hand, and where she had already large vested interests, but that he was not yet in a position to disclose it to me. Both in regard to the line I had proposed and to the zone which he had in view, he must consult both with the Emperor and with his colleagues. He anticipated that the line which I had mentioned would meet with some objections in the Cabinet, but he was prepared to combat these objections, as he considered the sphere we desired to retain was a fair and reasonable one. He must also observe that many in Russia considered that access to some southern waters was a necessity, and perhaps it would be difficult to resist this view. I told his Excellency that our line went down to Bunder Abbas, and that the Persian Gulf ran a good deal to the west of that port. Possibly the difficulty he had mentioned would not be insuperable.

His Excellency said that he considered the question of our future relations and interests in Persia were of great importance, and that the settlement of them should not be delayed. He would see the Emperor and his colleagues to-morrow, and he trusted to be able to speak to me with more authority in a day or two.

He thought that the two Governments should, apart from the advance of a sum of money for immediate necessities, take into consideration as soon as possible the whole financial situation of Persia, and discuss the mode of granting a joint loan. A suitable opportunity would then be presented of arranging and defining our respective spheres of influence; but we should not, in his opinion, attach so important a question to a simple advance of funds to meet temporary exigencies.

He asked me, in conclusion, not to telegraph officially on what he had said, as he was giving me merely his personal views.

I have, &c.
(Signed) A. NICOLSON.

[32918]

No. 27.

Sir A. Nicolson to Sir Edward Grey.—(Received October 1.)

(No. 635.)

Sir,

M. ISVOLSKY handed to me this afternoon a Memorandum, of which I have the honour to transmit a copy, in regard to the Meshed-Seistan line. The Memorandum traverses most of the statements which I had recorded in my Memorandum of the 12th instant, but, as I reminded M. Isvolsky, I had already informed him that the information which had been supplied in that document was subject to modification in the light of further explanations which I had received subsequent to my communication. I asked him if he wished to discuss the matter at present, but he replied that it would perhaps be preferable to defer our conversation on the subject until we were in a position to treat of the whole situation in Persia. I said that it seemed to me that this would be the best course to follow, but that I could tell him that I was prepared to propose a compromise which would, I thought, satisfactorily settle the difficulties of the two telegraph lines of Tehran-Mesched and Mesched-Seistan. I was, I said, in a position to suggest that if we ceded our control or superintendence over the former line, the Russian Government should make a similar concession to us with respect to the latter line.

His Excellency said that this was certainly a proposal worthy of examination, and that we might go into the matter when we resumed our discussions on Persia.

I would point out that the Russian Memorandum discards as without any foundation the report that the Russian Legation at Tehran was endeavouring to obtain complete control over the Meshed-Seistan line.

I have, &c.
(Signed) A. NICOLSON.

Inclosure in No. 27.

Memorandum communicated by M. Isvolsky to Sir A. Nicolson, September 19, 1906.

LA question du télégraphe Mesched-Seistan telle qu'elle est posée dans l'aide-mémoire de l'Ambassade Britannique en date du 30 Août (12 Septembre), annexé courante, nécessite des éclaircissements et des rectifications importantes.

L'assentiment du Gouvernement Persan à relier les fils télégraphiques de la ligne directement aux appareils Russes à Mesched et à Nousretabad a été déjà obtenu en principe depuis un temps assez long. Les désordres sur la ligne ayant pris un caractère chronique, ce fait fut relevé par l'Administration des Télégraphes Russes, et la question se posa avec une insistance nouvelle. Le terme des premiers jours de Juin (n.s.) indiqué dans l'aide-mémoire ne saurait donc se rapporter qu'aux ordres donnés par le Gouvernement Persan pour la mise en exécution de cette mesure. Le moment de l'application de cette dernière sur les lieux dépendait nécessairement de considérations techniques.

A la connaissance de la Légation Russe aucune protestation n'a été soulevée contre le fait même ni sur les lieux ni à Téhéran, et ceci semblerait d'autant plus naturel que la suppression des abus et désordres signalés sur la ligne Mesched-Seistan,

et la régularisation du service télégraphique, ne peuvent présenter que des avantages pour toutes les parties intéressées.

L'affirmation que toute la communication télégraphique entre Téhéran et les provinces orientales de la Perse se trouverait sous le contrôle des employés Russes paraît être pour le moins prématurée, non seulement en présence d'autres lignes télégraphiques reliant Téhéran aux provinces orientales, et au Seistan en particulier, mais aussi parce que le terme général "contrôle" ne saurait être appliqué au service des employés Russes sur la ligne Mesched-Seistan, tant qu'il ne sera pas établi que ce service est fait en dehors des règlements existants et des instructions de l'Administration supérieure Persane, ou bien au détriment d'intérêts quelconques. Pour ce qui est des prétentions de la Légation de Russie à Téhéran désirant, soi disant, obtenir du Gouvernement Persan le contrôle complet de la ligne susnommée, il serait presque inutile d'affirmer que ce bruit est dénué de tout fondement.

Quant à la situation sur la ligne Mesched-Téhéran, cette dernière, d'après les informations du Gouvernement Impérial, comporte une part d'influence directe Anglaise bien plus importante que ne le ferait supposer l'aide-mémoire du 30 Août. Ainsi, les réparations et le contrôle journalier (technique) de la capacité du service de la ligne se trouvent de fait entre les mains des Anglais, possédant la clef des fils et pouvant en conséquence les garder à leur disposition indéfiniment en dehors de l'ordre établi pour la transmission des télégrammes. Le Gouvernement Impérial n'emploie pas, néanmoins, le terme général de "contrôle" pour qualifier cet état de choses, trouvant son explication dans les défauts du service technique Persan. Il croit, toutefois, que la nécessité d'un système semblable sur la ligne Mesched-Seistan, entretenu, pour la majeure partie, à ses frais, se trouvait également expliquée et suffisamment prouvée par les faits suivants :—

Le personnel Persan disposant des fils détériorerait sciemment les appareils, aucun ordre ne pouvait être établi dans la transmission des télégrammes;

Les appels du télégraphiste Russe à Birdjand restaient sans réponse;

Le contrôle journalier de la ligne pour établir sa capacité de service ne pouvait avoir lieu;

Vu l'impossibilité, dans ces conditions, de procéder aux réparations nécessaires à temps, le service était toujours menacé d'un arrêt complet inadmissible rien qu'au point de vue des intérêts sanitaires en raison desquels la ligne avait été principalement construite.

Le Gouvernement Impérial aime à espérer que le Cabinet de Londres voudra bien apprécier à leur juste valeur les faits et les considérations ci-dessus énoncés.

Saint-Pétersbourg, le 7 (19) Septembre, 1906.

[32919]

No. 28.

Sir A. Nicolson to Sir Edward Grey.—(Received October 1.)

(No. 636.)

Sir,

St. Petersburg, September 20, 1906.

AT his weekly reception yesterday, M. Isvolsky told me that he had no further statements to make to me in regard to advances, loans, and spheres of influence in Persia, as the Emperor had postponed his return to Peterhof from his cruise, and he could add nothing to what he had already said until he had consulted with His Majesty. His Excellency added that he maintained his opinion that a delimitation of spheres of influence was the only method of solving the Persian question so far as Russia and England were concerned; and he intended to urge this solution on the Emperor and those of his colleagues who were interested in these matters. He asked me if I had telegraphed to you as to the advance, and explained the matter as he had suggested. I replied in the affirmative, and said that I had laid before you his desire that : (1) The Imperial and Russian Banks should permit a postponement of the repayment of the sums due to them by the Persian Government; (2) That we should content ourselves, as regards our share of the advance, with a lien on the customs revenues in the south of Persia and the Persian Gulf; and (3) That we should make our part of the advance at once, the Russian Government, for certain reasons, being desirous of postponing the advance of their moiety.

His Excellency said that this was quite correct, and inquired if I had received any

reply. I told him that there had been hardly time for me to do so, but that I had no doubt that I should receive one very shortly.

M. Isvolsky remarked that it was a fact that the Germans had received permission to establish a bank at Tehran, and that he believed that the German Delegate would arrive shortly in the Persian capital.

I have, &c.
(Signed) A NICOLSON.

[32925]

No. 29.

Sir A. Nicolson to Sir Edward Grey.—(Received October 1.)

(No. 642. Confidential.)

Sir,

St. Petersburg, September 21, 1906.

M. ISVOLSKY called upon me this afternoon and said that he had consulted with the Minister of Finance in regard to the preliminary advance of 200,000*l.* being conjointly made to the Persian Government by the Governments of Russia and England, and that he was in a position to inform me that the Russian Government agreed to participate in the transaction. He would be glad to be informed in what manner His Majesty's Government proposed to make the advance, which he considered should not be delayed, as from the reports which he received from Persia it was clear that the Persian Treasury was in considerable financial difficulties. I had given him privately a Memorandum stating that His Majesty's Government were prepared to assent to the repayments by the Persian Government to the Imperial Bank and to the Russian Bank being postponed, and that they also required that the security for the British share of the advance should be found in a lien, beyond that already held, on the customs revenues of the ports in the south of Persia and in the Persian Gulf. M. Isvolsky said that the Russian Government entirely agreed with both these conditions. His Excellency observed that he trusted that His Majesty's Government would not raise in connection with this preliminary advance the question of our sphere of interest to the eastward of the Birjand-Bunder Abbas line, and he repeated the remarks on this point which I have already had the honour to communicate to you.

I told M. Isvolsky that I had received instructions to obtain the consent of the Russian Government, as a starting point for our common action, to a recognition of the sphere in question, but that in view of his observations I would take upon myself not to press it for the moment. At the same time I would be glad if he would inform me confidentially what sphere of interest Russia proposed to reserve to herself. I pointed out that, in the opinion of my Government, while we secured a sphere in the south and east, Russia presumably would seek for one in the north and west, and thus leave the rest of Persia open to general enterprise, including of course that of Russia and England.

M. Isvolsky said that he quite agreed with this view, but that until he had consulted with the Emperor and the Ministers of War and Commerce he was not in a position to give any information which I had requested. He hoped to see the Emperor very early next week, and would then solicit His Majesty's opinion. I will return to this point when I next see M. Isvolsky, but I have some doubts whether I shall be able to obtain as early as M. Isvolsky gave me at first to understand all the information which is desired. I think that M. Isvolsky may have met with some difficulties on the part of the Minister of War; though I have no grounds at all for imagining that he himself has in any way altered his own opinion. I shall be able, perhaps, to secure some fuller information during the next few days.

M. Isvolsky informed me further that the Minister of Finance had invited M. Naus to come to St. Petersburg, as he considered it desirable to ascertain from that gentleman some particulars as to the financial situation of Persia, and also to inquire of him what sources were still available for furnishing guarantees for the Russian share in advances or prospective loans. The Russian Government had, he said, already lent to Persia some 3,000,000*l.*, and he believed that the security for this financial assistance had almost if not entirely mortgaged the available resources of Persia. He made no allusion to sharing in the customs revenues in the south, and appeared to consider that we had earmarked these sources.

During an interview which I had with M. Isvolsky yesterday evening, he had

informed me that the German Chargé d'Affaires, at his weekly reception on the previous day, had formally announced to him that the Persian Government had agreed to the establishment of a German Bank at Tehran. He added that the Persian Chargé d'Affaires had made some inquiries as to whether the Russian and British Governments were discussing an arrangement in regard to Persia, and that he had replied that the relations between Russia and England had greatly improved, and that if any discussion were to take place between the two Governments in respect to Persia, they would naturally have always in view the maintenance of the independence and integrity of that country.

I have, &c.
(Signed) A. NICOLSON.

[32929]

No. 30.

Sir A. Nicolson to Sir Edward Grey.—(Received October 1.)

(No. 646.)

Sir,

St. Petersburg, September 24, 1906.

M. ISVOLSKY came to see me yesterday afternoon, and said that he had been talking over with the Minister of Finance the question of a joint advance to the Persian Government, and that, as he understood it was proposed to make an immediate advance of 200,000*l.*, the Russian Government were prepared to contribute one-half of this amount, and telegraphic instructions had been sent to the Russian bank at Tehran to hold 100,000*l.* in readiness. If this preliminary advance of 200,000*l.* were not found sufficient to meet the most pressing necessities, and a further advance became necessary, the Russian Government might find it convenient to come to an arrangement with His Majesty's Government as to the additional contribution which Russia would have to provide. In regard to the precautions which would be required to secure the proper application of the proceeds of the advance, M. Isvolsky considered that he and I might arrange matters here, and he would suggest that M. Grube, the Director of the Russian Bank, should be present at our interviews in order to furnish us with necessary information.

I told M. Isvolsky that it was possible that an advance of 200,000*l.* would not suffice to meet the most urgent needs of the Persian Government, as the Russian and British Representatives at Tehran had estimated the immediate requirements at 100,000*l.* I added that my Government considered that the advance should be limited to the absolute necessary requirements. I said that I would at once inform you of the communication which he had been good enough to make to me, but that it seemed to me that it would be more practical if all the details as to the mode of disbursement of the proceeds of the advance were settled by the Russian and British Representatives at Tehran, who were on the spot, and were perhaps the best judges in such matters. I said the proposals in reference to the above points, which had already been made by M. Hartwig and Mr. Grant Duff, had met with the approval of both Governments, and it seemed to me that the settlement might be left in the hands of those at Tehran.

M. Isvolsky, however, maintained his suggestion, and I said that I would refer to you for instructions.

I told M. Isvolsky that my Government were in some doubts as to the connection between the advance and the loan, and did not quite understand the distinction. So far as I was aware, the Persian Government had in the first instance applied to the Russian Legation for an advance of 3,000,000 tomans and a loan of 10,000,000 tomans, but that he desired to defer any examination of the question of a loan until we discussed the general question of the whole financial situation in Persia, and of our future mutual relations in regard to that country. His Excellency said that I had correctly interpreted his views, and that the advance should be merely a measure to meet urgent needs.

M. Isvolsky did not mention what guarantees the Russian Government proposed to demand as security for their share of the advance.

I have, &c.
(Signed) A. NICOLSON.

[32930]

No. 31.

Sir A. Nicolson to Sir Edward Grey.—(Received October 1.)

(No. 647. Confidential.)

Sir,
 M. ISVOLSKY informed me yesterday that he had spoken with the Minister of Finance with respect to the sphere of interest which we required to the eastward of the line from Birjand to Bunder Abbas, and that his Excellency was in agreement with him that our proposal was a perfectly acceptable one. He wished me to understand that he was speaking to me unofficially, and that what he expressed was merely the personal views of the Minister of Finance and himself. Both he and his colleague were of opinion that the main object of any arrangement to which the two Governments might arrive was to avoid any possibility of future collisions, and that, in tracing spheres of influence, this object should be kept in view. The sphere of influence which he was desirous to see adopted by the Russian Government would consequently be in the north of Persia, removed at some distance from the British sphere, and leaving the whole of the rest of Persia open to general enterprise. With this view the Minister of Finance quite agreed, so that there were two of them in the Cabinet ready to support what he considered to be a fair and reasonable arrangement. At the same time he must warn me that the General Staff might have different views, and that it might be considered that the proposed British sphere of interest might be not only of commercial but also of political and strategical importance. He further wished to tell me frankly that it was probable that, when the spheres had been finally allotted, the Russian Government might find it desirable to construct railways in their zone, and for that purpose they would have to apply for neutral foreign capital. The recent war and the construction of the Siberian Railway had greatly diminished the funds which were available in Russia for such undertakings. They would seek for such capital in Belgium or Holland, but not in France, as they wished to apply to countries who were absolutely neutral in Persian affairs.

I thanked M. Isvolsky for the information which he had given me, and said that I trusted that he and the Minister of Finance would be able to overcome any objections which might be raised to the respective spheres of interest which he had indicated. It might be perfectly true that our proposed sphere was of political and strategical importance, but it should be remembered that the Russian sphere, as indicated by him, had also the same characteristics, and I must tell him with equal frankness that my Government considered that it was of primordial importance that our sphere of interest should be such as I had stated.

I added that it seemed to me that the discussions over these points would take some little time, but that I desired to see them terminated without undue delay. In the meantime I thought that it was desirable that we should arrange as to the two telegraph lines from Tehran to Meshed and from Meshed to Seistan. I had recently made him a very fair offer of an exchange, and information which had subsequently reached me rendered it, to my mind, advisable that we should deal with this question apart from the general arrangement. M. Isvolsky said that he really thought that the question of the two telegraph lines could be treated much more conveniently and naturally in connection with the whole arrangement, and that they were not such important matters, or of such urgency, as to demand separate and immediate consideration. He said, further, that there was also the question of Afghanistan to be considered, which stood in close relations with that of Persia. I said that I was well aware of this, and that I had received instructions to speak to him on this subject when the proper moment arrived.

M. Isvolsky said that the Emperor would probably not return to Peterhof till towards the end of this week, and that he must speak with His Majesty fully on the questions which he had mentioned to me.

I have, &c.
 (Signed) A. NICOLSON.

[32961]

No. 32.

Sir F. Lascelles to Sir Edward Grey.—(Received October 1.)

(No. 291.)

Sir,

I HAVE the honour to transmit herewith a translation of a telegram published in the "Cologne Gazette" of the 21st instant on the subject of the rumoured concession of a German Bank in Persia.

I took the opportunity of asking Count Pourtales, whom I called upon this afternoon, what truth there was in this report, and his Excellency gave me practically the same explanation of this concession as is contained in this telegram.

I have, &c.

(Signed) FRANK C. LASCELLES.

Inclosure in No. 32.

Extract from the "Cologne Gazette" of September 21, 1906.(Translation)
(Telegraphic.)

BERLIN, 21st September. In connection with Reuter's report of the institution of a German Bank in Persia, we learn that a concession for a German Bank was, in fact, a short time ago offered to the German Government by the Persian Government on their own initiative, and without any German suggestion. As many German business houses have latterly formed connections in Persia, it was to their interest to have a German Bank in Persia, and not to be dependent for their business on foreign financial institutions. For this reason it was the duty of the German Government to consider the Persian offer. The question is still under consideration, and the only thing that is definite is that if such a bank is founded it will bear the character of a purely commercial, and under no circumstances of a political bank. It is intended as a representative of German commercial interests, and not as a State Bank, nor as one which could comprise in its sphere of activity the furnishing or negotiating of Persian State loans. Just as the German Empire occupies itself with only commercial tasks in Persia, so this bank, if it is founded, would have to refrain from any sort of political activity.

[33155]

No. 33.

Imperial Bank of Persia to Foreign Office.—(Received October 1.)

Sir,

25, Abchurch Lane, London, September 29, 1906.
 I HAVE the honour to acknowledge the receipt this morning of your Secret letter of yesterday's date, and have carefully noted the contents.

As requested by you, a telegram has been dispatched to the Chief Manager of the bank at Tehran, instructing him to hold at the disposal of His Majesty's Minister in Tehran the sum of 100,000/.

I have, &c.
 (Signed) G. NEWELL, Manager.

[33101]

No. 34.

Sir A. Nicolson to Sir Edward Grey.—(Received October 1.)

(No. 254.)

(Telegraphic.) P.

St. Petersburg, October 1, 1906.
 THE passage in my telegram No. 250 of the 29th ultimo as to divulging cards to third parties was mentioned by M. Isvolsky with reference to the Meshed-Seistan telegraph question and its immediate settlement. It should properly have been put in my telegram No. 251 of the same day.

If the transfer is effected at once, he fears we shall give a premature indication to other interested parties as to what the nature of our future spheres of influence is to be.

[33372]

No. 35.

Sir Edward Grey to Sir C. Spring-Rice.^o

(No. 144.)

Sir,

THE Persian Minister asked me to-day, by instruction from his Government, whether it was true that an Agreement had been come to between ourselves and the Russian Government on Asiatic questions and containing a clause respecting Persia.

I said that no such Agreement had been come to.

In reply to further questions as to whether such an Agreement was imminent or was under discussion, I said that, owing to the present state of Persia, we did discuss matters with the Russian Government concerning telegraphs, loans, and other emergencies. It was inevitable that we should do so, in order to prevent differences from arising between us; but we had not discussed anything which in any way would prejudice the independence or the integrity of Persia.

I am, &c.
(Signed) EDWARD GREY.

[33304]

No. 36.

Treasury to Foreign Office.—(Received October 2.)

Sir,

Treasury Chambers, October 1, 1906.

I HAVE laid before the Lords Commissioners of His Majesty's Treasury your letter of the 28th ultimo, and I am to say that my Lords are prepared to co-operate with Sir E. Grey in meeting the immediate needs of the Persian Government by a joint advance proceeding from the Russian Government and His Majesty's Government.

The proposal is, as my Lords understand, that the joint loan should be for 100,000*l.*, of which half should be made at once, and the other half later on, and that England's moiety should be half charged on Indian funds.

The total amount therefore for which England is asked to make herself responsible is, sooner or later, 200,000*l.*

My Lords note that this loan is not to be applied to the repayment of former loans negotiated through the Imperial Bank of Persia or the Russian Banque des Prêts, and that the exact mode of application of the contemplated loan, as well as the details of repayment, are to be decided at Tehran or St. Petersburg forthwith. The British share of the loan is to be secured on the customs of the southern ports of Persia and the Persian Gulf, while the Persian Government is to pay 5 per cent. on the loan, of which 4 per cent. per annum is to be paid to the lenders of the loan, and 1 per cent. per annum to the Imperial Bank of Persia.

Under the proposed arrangements, the sum which the English Government will have to find immediately is half 100,000*l.*, or 50,000*l.*, and it is accordingly proposed that the sum of 50,000*l.* shall be placed at the disposal of the Secretary of State for Foreign Affairs from the Treasury Chest Account, it being understood that His Majesty's Government will take the earliest opportunity of asking Parliament to repay the advance from the Treasury Chest Account.

I am, &c.
(Signed) E. W. HAMILTON.

[33303]

No. 37.

Treasury to Foreign Office.—(Received October 2.)

Sir,

WITH reference to Mr. Campbell's letter of the 28th ultimo, I am commanded by the Lords Commissioners of His Majesty's Treasury to acquaint you that the Paymaster-General has been authorized to transfer the sum of 50,000*l.* to the credit of the Vote for Diplomatic and Consular Services.

I am, &c.
(Signed) E. W. HAMILTON.

^o Also to Sir A. Nicolson.

[32883]

No. 38.

Sir Edward Grey to Sir A. Nicolson.

(No. 381.)

(Telegraphic.) P.

PERSIAN advance.

His Majesty's Government are prepared to go on with the whole advance, as recommended in your telegram No. 250 of the 29th ultimo (last paragraph). I recognize that an arrangement concluded under pressure and reluctantly would probably not be enduring, whereas our object is to secure an equitable agreement which will last. His Majesty's Government do no desire, therefore, to bring such pressure to bear on the Russian Government by insisting, as a condition of our participation in the advance, upon a complete political agreement.

On the other hand, we cannot leave the matter of the Seistan telegraph in its present state. It is not, as it stands, compatible with a fair start for common action by the two Governments, being a disturbance, to our disadvantage, of the *status quo*. An exchange of lines as proposed (which I cannot believe to be open to the objections which you quote in your telegram No. 251 of the 29th September), or some other solution which would meet the Indian Government's objections, should be arrived at. The matter should, I think, be settled before the second moiety of the advance is made.

The common action between the two Governments, which will be begun by the joint advance, will be continued pending the discussion and, I trust, the conclusion eventually of a lasting and comprehensive agreement such as is desired by M. Isvolsky. The *status quo* will not be disturbed by either Government to the disadvantage of the other during this interval, and instructions in this sense will be given to their respective Agents.

Of course, there will be no question of Russia sharing in the lien on the receipts of the customs at the Southern and Gulf ports, which we hold already, and shall again take as our security, the immediate object of the advance being to preserve equilibrium without prejudice to the future or change in existing conditions.

It is in deference to the strong view urged by M. Isvolsky that we are taking our present action, and a factor in our decision has also been the favourable personal opinion with regard to the line proposed which he has expressed. You should explain this to his Excellency.

[32652]

No. 39.

Sir Edward Grey to Sir F. Lascelles.

(No. 271.)

Sir,

WITH reference to my despatch No. 265 of the 25th ultimo, I have to inform your Excellency that the German Chargé d'Affaires called on the 24th ultimo, and, under instructions from his Government, informed Sir C. Hardinge, who in my absence received him, that owing to the lack of interest shown in the proposal by German financiers, it was not unlikely that the project of a German bank in Tehran would never be realized, but that in any case, if it should be realized, it would be a purely private bank, and in no sense a State bank.

With reference to Sir C. Hardinge's inquiry as to a rumoured German loan to Persia, he was instructed to say that the German Government had no knowledge of any such proposal being discussed in German private financial circles, and that they themselves would refrain from entering into any question of a loan to Persia.

Sir C. Hardinge took notes of Baron Strumm's statement, which he read to him, thanking him for the communication which he had been instructed to make.

I am, &c.
(Signed) EDWARD GREY.

[33337]

No. 40.

India Office to Foreign Office.—(Received October 3.)

WITH reference to the letter from this Office of the 30th August, the Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Mr. Secretary Morley, forwards herewith, for the information of the Secretary of State, copy of inclosures in a letter from the Foreign Secretary to the Government of India, dated the 23rd August, relative to the status of Halul Island.

India Office, October 2, 1906.

Inclosure 1 in No. 40.

(Confidential.)
Sir,

I HAVE the honour to report the action taken by me on Foreign Department telegram dated the 5th July, 1906, in regard to Halul Island.

On my return journey from Karachi, I visited Shargah, and, on the grounds that the information collected for the "Gazetteer" in regard to the several islets lying between the Trucial Coast and Ras Rakkau was still incomplete made local inquiries with regard to them.

From these inquiries it became evident that the Arab community is accustomed to connect the ownership of these islands with the exercise of certain rights over them. These are chiefly:—

- (a.) The right to dispose of jetsam and flotsam and native craft wrecked on the islands.
- (b.) Rights of pasture in cases where any is generated after rain.
- (c.) Rights of fishing during winter, and of taking water or shelter from storms during the pearl season.

It was the opinion of our Agent at Shargah, who has many years' local experience of the Trucial Coast, that it was the local view, or would be if inquiries were made, that such rights as those mentioned, in the case of all the islands in question except Shiran and Halul, were vested in the Sheikh of Abu Thabi.

With regard to Halul he expressed the belief that it was undoubtedly outside the Sheikh of Abu Thabi's sphere, and that the latter would probably not claim any rights over it, but suggested that the people of the Katr Coast might claim it. He was similarly doubtful as to the status of Shiran, but was inclined to think that it would be regarded on the Trucial Coast as appertaining to Wakra—that is, to Sheikh Jasim-bin-Thani's people.

Khan Bahadur Abdul Latif was already under instructions to proceed to Abu Thabi and Debai on my behalf on other business, and I directed him to make specific investigations about these islands generally and severally, and to let me know the result as soon as possible, for the information of the officer in charge of the "Gazetteer."

3. After calling at Um-al-Kawain I left for Halul. The island is a favourite breeding place for terns at this season, and the collection of eggs was made the reason for calling. We found one pearl dhow anchored there taking shelter from a "shamal" which was blowing at the time. The dhow hailed from Doha (Al Bida'a), and the nakhoda informed me that he had come there the day before for shelter from the "shamal," and had also been gathering eggs, of which there were plenty. On my asking him whether there was any water on the island or grazing after rain, he replied in the negative, but added that the fishing in the vicinity was excellent, and that many dhows came from Doha in the winter for that purpose. By indirect inquiries I elicited that he considered the island to appertain specially to the people of Doha.

4. Having landed and explored the island, we left for Bahrein, and before parting with the Political Agent, Captain Prideaux, I asked him to take the first possible opportunity of sounding Sheikh Esa as to the status of Halul, among other islands, as if in connection with "Gazetteer" inquiries. I attach a copy of his Report, written

hurriedly for my personal information.* It will be seen that this corroborates in a great measure the information obtained on the Trucial Coast.

Some little time must elapse before I can receive the Shargah Agent's final Report, but I can telegraph the purport of his communication when received, and indeed doubt if it will throw any more certain light on the question of ownership than that now forthcoming. This seems of too negative a nature as regards Bahrein to justify my taking further action without reference to the Government of India, nor have I any local evidence of German designs to make the matter very urgent.

5. Before making any comment on Captain Prideaux' suggestions, I venture to record my impressions as to the adaptability of Halul as a coaling station. The "Persian Gulf Pilot" seems hardly to do it justice. At the time the "Lawrence" visited the island on the present occasion a "shamal" was and had been blowing for some days past. Nevertheless, we found a quiet anchorage in 6 fathoms, half a mile from the shore on the south-east side of the island, sheltered from the prevailing wind. A dhow had also come there for shelter, and was lying alongside us, and we had no difficulty whatever in landing in the ship's whaler in the gap in the cliff mentioned in the "Pilot," which, in fact, forms a natural boat harbour, and could be very easily improved. On the other side of the island there was a heavy surf, and landing would have been difficult.

Just inland of the boat harbour the ground is fairly level, and would be convenient for storage of coal. No fresh water is at present obtainable on the island, but if artesian wells did not tap sweet water a condenser would remedy the evil, so that the water question would present no practical difficulty. On the other parts of the island there is plenty of level ground, and I am of opinion that on the whole it is by no means to be despised as a coaling base.

6. There remain for consideration the measures which can most conveniently be taken to forestall any attempt on the part of a foreign Power to acquire the island. The most that we are likely to receive from the Trucial Coast in the way of further information is that the Sheikh of Abu Thabi does not claim it, or does not claim exclusive rights over it. We shall be still left with this difficulty, that if the Sheikh of Bahrein places his flag upon the island, or takes other steps to assert his own exclusive jurisdiction over it, his action may be met by protests or counter-claims from Sheikh Jasim-bin-Thani, which Sheikh Esa will expect us to answer for him.

Captain Prideaux suggests our either hoisting our own flag on the island or else awaiting movement in regard to it by a foreign Power, and then taking the necessary action to frustrate theirs.

The first course does not quite commend itself to me. Our action might act as an incentive and excuse to others to follow suit, and if the British flag were placed there measures must be maintained to have it respected.

7. Under the circumstances I respectfully make the following suggestion as a compromise. It at all events has the advantage of being founded on a plausible basis.

Halul lies practically on, or at all events not far off, the track of British India steamers for some time past plying regularly between Debai and Bahrein. I suggest that the British India Steam Navigation Company, or we on their behalf, should erect a masonry beacon on the island as an aid to navigation.

The stone is ready to hand, and it would merely be necessary for a ship to take a mason or two and some cement from Bahrein and stand by for a few days while the beacon is being put up. Our having done this would give us some sort of right to be interested in the island, and if any question arose we could then say that this beacon had merely been put up as an aid to navigation for the use of the public, but should announce at the same time that we were unable to admit the exclusive sovereignty over it of any Arab Sheikh, the fact being that the subjects of the Sheikhs of Oman, Katr, and Bahrein had been in the habit of using it from time immemorial; that it was common to all of them, and that we declined to admit any violation of the *status quo*.

There is no German man-of-war or merchant-ship in the Gulf at present, and I do not think the matter will suffer by the ten days' delay entailed by this reference to the Government of India, but if the information here submitted is sufficient to enable Government to decide as to which is the best course to pursue, I request that I may be informed of their conclusions by telegraph.

8. Before concluding, it may be worth while for me to mention here incidentally

* Not printed.

two points which have caught my attention while looking up information in regard to Halul :—

(1.) The island is somewhat prominently mentioned in the "Encyclopædia Britannica" under the head "Arabia"—"Pearl Fisheries," and the following passage occurs: "The most productive shoals are those between the Islands of Halul and the east coast of Katr."

(2.) In the most up-to-date atlas published, "Stieler's Hand Atlas," just issued by Justus Perthes, Gotha, 1905, Bahrein is drawn by colour as British, and the territory coloured Turkish, though it includes Koweit, excludes the whole of the Katar Peninsula. The atlas if not official is at all events German.

I have, &c.

(Signed) P. Z. COX, Major,
Political Resident in the Persian Gulf.

Inclosure 2 in No. 40.

Captain Prideaux to Major Cox.

Bahrein, July 28, 1906.

ON the morning after my landing here I was gratified to receive a visit of welcome from the Chief, and on my returning it in the afternoon I sounded him, as you desired, on the subject of Halul.

The Chief said, and this corroborates the information acquired by Mr. Hak before my arrival, that both the fishermen of Oman and Katar are in the habit of fishing near, and landing on Halul, as well as on the island further south, which my map calls Shirauh. The other islands (the Chief knows nothing about "Diyinah") are undoubtedly within the Oman sphere, but the two first mentioned he thinks to be neutral to both countries. He added that in the pearl fishing season Bahrein boats make equal use of the island with those of Oman and Katar.

I then suggested that possibly in the days when the Al Khalifah were the rulers of all Katar, they had also exercised some sovereignty over Halul. The Chief replied that that may have been the case, but he had never heard so.

In the circumstances, I think that the best thing we could do would be to put our own flag on the island, treating it as derelict, and giving as our reason the fact that it is believed to be of no commercial value for its petroleum, which we discovered three or four years ago; but if this course is not approved by His Majesty's Government, then let us either maintain a masterly inactivity until a German man-of-war again enters the Gulf, when one of our ships might be sent to forestall her at Halul, or let us tell the Germans (*sic* Turks) at once that the position in Doha is in contravention with their promises to us, and that we shall in the future, as we have done recently in regard to Wakra, prevent all further attempts on their part to consolidate their position on the peninsula or its adjacent islands.

Inclosure 3 in No. 40.

Major Cox to Government of India.

(Telegraphic.) P.

Bushire, August 16, 1906.

THE Residency Agent's report regarding Halul is not final, but tends in the direction anticipated in my letter of the 5th August.

The first ship of the Hamburg-American line is expected in ten days. It left London on the 14th July.

[33410]

No. 41.

Sir A. Nicolson to Sir Edward Grey.—(Received October 3.)

(No. 255.)

St. Petersburg, October 3, 1906.

WITH reference to your telegram No. 381 of yesterday, I have the honour to report that I informed the Minister for Foreign Affairs this afternoon that, in deference

to the views urged by him, the immediate acceptance by Russia of the Birjand-Bunder Abbas line would not be insisted on by His Majesty's Government as a condition to making the whole advance to Persia in common, and I said that it was your hope that the joint advance would be the beginning of a common action which would eventually lead to the conclusion of a durable and comprehensive arrangement. I further said that we were convinced we should have his active personal co-operation in inducing the Russian Government, as a whole, to accept the bases of agreement laid down by us.

With regard to our lien on the southern customs revenues it appeared unnecessary to say anything further, as Minister for Foreign Affairs has a written Memorandum from me on the subject and has agreed to it. I thought it better not to show any doubts or fears on the subject of our exclusive rights there, and he has not shown any inclination to interfere with the above revenues.

M. Isvolsky expressed many thanks for my communication, and said that I could rely on his doing his utmost to bring our arrangement as to Persia to a conclusion on the lines mentioned by me.

He appeared much relieved at my communication, and I hope it may be an incentive to him to exercise pressure on those who may demur to accepting our proposal.

The Emperor is still absent, and the date of his return is uncertain. I shall be glad when M. Isvolsky is able to speak to His Majesty on the matter.

[33411]

No. 42.

Sir A. Nicolson to Sir Edward Grey.—(Received October 3.)

(No. 256.)

(Telegraphic.) P.

St. Petersburg, October 3, 1906.

PERSIAN telegraphs: Your telegram No. 381 of yesterday.

I told M. Isvolsky this afternoon that a speedy settlement of this question was earnestly desired by His Majesty's Government, and that I could assure him that it was very necessary that one should be arrived at. In reply, he repeated his former arguments, dwelling especially on the one that the disclosure of a portion of our cards would result. I told him that his apprehension was not shared by my Government, and I pointed out that our proposal was a most natural one, and that this I was sure would be the view in Persia. I said, on the other hand, that what had occurred recently constituted a disturbance of the *status quo*, and that serious trouble might result if it were persisted in. He said he did not object to the transfer in principle, but that he could not give me an immediate reply. I think I shook his hesitation. I will return to the charge in two or three days; he has promised to study the question at once. To-day being the Minister's reception day, prolonged conversation was difficult.

[33414]

No. 43.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 3.)

(No. 269.)

(Telegraphic.) P.

Tehran, October 3, 1906.

PERSO-TURKISH frontier dispute.

The Turkish Military Attaché has informed Colonel Douglas that the line now claimed by his Government touches the Lake of Urmia at one point and includes Passova.

I was told by the Minister for Foreign Affairs that the Persian Government had been greatly disappointed at the failure of their appeal to Russia and England for help. He said that they might be forced into having recourse to arbitration, and hinted that appeal might possibly be made to a foreign Arbitrator.

In this connection see the German Treaty of 1873, Article XVIII, paragraph 2.

[33415]

No. 44.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 3.)

(No. 270.)

(Telegraphic.) P.

Tehran, October 3, 1906.

MY audience of the Shah has been postponed till Saturday owing to the state of His Majesty's health.

I have been informed by the Minister for Foreign Affairs that rumours of an understanding between Russia and England to the detriment of Persia are greatly disturbing the Shah. I reminded him that while he was Minister in London formal assurances had been given to him by both Lord Lansdowne and yourself, and I assured him that the independence and integrity of Persia was the first principle of our policy here. He said that while he fully understood this his Government feared a division of Persia into Russian and English spheres or an arrangement similar to the Morocco Agreement.

In conclusion, his Highness hinted that Persia, if England abandoned her, might be obliged to apply elsewhere for help.

The popular classes, I gather, are widely imbued with similar views.

[33416]

No. 45.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 3.)

(No. 271.)

(Telegraphic.) P.

Tehran, October 3, 1906.

PERSO-TURKISH frontier dispute. My telegram No. 269.

A telegram has just reached the Persian Government from their Commissioner, who states that the Turkish Commissioner had threatened an immediate rupture of negotiations and was to leave last Monday.

The Persian Ambassador at Constantinople has been informed and instructed to communicate with the Russian and British Representatives.

[33155]

No. 46.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 169.)

(Telegraphic.) P.

Foreign Office, October 3, 1906.

REFER to Mr. Grant Duff's telegram No. 237 of the 9th ultimo : Persian advance.

As you are already aware, the Russian and British Governments have decided to make an immediate advance to the Persian Government of 200,000*l.* At a later date if necessary, and subject to certain conditions affecting themselves, which the two Governments are now discussing, they will make a further advance of the same amount.

The Russian and British Governments will furnish the joint advance in equal moieties of 100,000*l.* each ; this sum, of which the Imperial and Indian Governments have each provided half, has therefore been placed to your order at the Imperial Bank of Persia.

The Customs of the Gulf and South Persian ports should be the security for our portion of the loan ; and 5 per cent., of which the Bank will have 1 per cent. as commission, should be fixed as the rate of interest.

Bearing in mind the points enumerated in the above-mentioned telegram, you should discuss the conditions under which the advance is to be made with your Russian colleague.

[33532]

No. 47.

India Office to Foreign Office.—(Received October 4.)

Sir,

I AM directed by Mr. Secretary Morley to acknowledge receipt of Mr. Campbell's letter of the 3rd instant, inclosing a copy of the telegram sent by Secretary Sir E. Grey to Sir C. Spring-Rice on the subject of the joint advance which His Majesty's

India Office, October 4, 1906.

Government and the Russian Government have agreed to make to the Persian Government.

In reply, I am to say that the Accountant-General of this Office has been instructed to pay to the Imperial Bank of Persia the sum of 50,000*l.* as requested.

I am to add that the Secretary of State in Council has agreed that a sum, not exceeding 100,000*l.* of which the above sum of 50,000*l.* is a moiety, be placed from Indian revenues at the disposal of the Secretary of State for Foreign Affairs for the purpose of the joint advance, which is to be made through the Imperial Bank of Persia on the security of the customs of the ports of Southern Persia and the Persian Gulf, and on the same terms as regards interest as the advances already made from Indian revenues to the Persian Government on the 4th April, 1903, and the 1st September, 1904.

The Secretary of State in Council has also agreed that, in view of the present situation in Persia, the repayment by the Persian Government of the advances already made through the Imperial Bank may be postponed.

I am, &c.
(Signed) HORACE WALPOLE.

[33540]

No. 48.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 4.)

(No. 272.)

(Telegraphic.) P.

Tehran, October 4, 1906.

AS there was some slight improvement in the Shah's health I was received to-day and presented my letters.

[32626]

No. 49.

Foreign Office to India Office.

Sir,

Foreign Office, October 4, 1906.

I AM directed by Secretary Sir E. Grey to acknowledge the receipt of your letter of the 26th ultimo, inclosing copy of a telegram from the Viceroy, on the subject of a possible advance from Indian revenues to the Persian Government, in return for a concession of the Karun Irrigation Scheme.

Sir E. Grey entirely concurs in Mr. Secretary Morley's view that, in the present position of the negotiations with Russia, it would not be practicable to make any advance to the Persian Government, otherwise than in agreement with the Russian Government.

I am, &c.
(Signed) E. GORST.

[33634]

No. 50.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 5.)

(No. 273.)

(Telegraphic.) P.

Tehran, October 5, 1906.

ANGLO-RUSSIAN Loan.

I have communicated with my Russian colleague in the sense of the instructions contained in your telegram No. 169.

Conditions will be drafted on the lines already agreed on and submitted to the two Governments.

[33806]

No. 51.

Mr. G. Barclay to Sir Edward Grey.—(Received October 6.)

(No. 196.)

(Telegraphic.) P.

Constantinople, October 5, 1906.

THE following communication has been made to me and the Russian Ambassador, by the Persian Ambassador, in respect of the Turco-Persian frontier dispute, referred to in Mr. Grant Duff's telegrams Nos. 269 and 271:—

"Turkish Commissioner has proposed River Lahan as frontier, which would give Turkey Old Lahijan, Vezne, Naalen, Fakir, and other important places. Persian Government cannot admit that all these places, which are needed by Persian tribes, should be abandoned to Turkey. Turkish Commissioner, seeing that his Persian colleague rejects his proposal, wished to leave frontier, but has been persuaded to remain a few days. Persian Government seeing, to its great regret, that Turkey is not disposed to terminate question, begs British and Russian Representatives to concert with the Persian Ambassador to proceed to negotiate with the Sublime Porte, with a view to submitting the question to arbitration and to indicating the arbitrators."

A report, in the above sense, is being sent by the Russian Ambassador to his Government, and he is at the same time drawing their attention to the position secured to Germany under Article XVIII of the Treaty between Persia and Germany of 1873. The Persian Ambassador will be informed that we have referred to our Governments, for their instructions, the communication which he has made to us. I am doubtful, as is also M. Zinoview, whether arbitration would be accepted by the Porte.

From the statements made by the Persian Ambassador it would appear that Passova is left to Persia by the proposed line.

[33415]

No. 52.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 172.)

(Telegraphic.) P.

Foreign Office, October 6, 1906.

ANGLO-RUSSIAN understanding respecting Persia.

I approve your language to the Persian Minister for Foreign Affairs, reported in your telegram No. 270 of the 3rd instant.

You may inform his Excellency that there has been no discussion between the two Governments of anything by which Persia's integrity or independence would in any way be prejudiced, but that we have necessarily been obliged to discuss matters concerning loans, telegraphs, and other emergencies.

[33528]

No. 53.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 173.)

(Telegraphic.) P.

Foreign Office, October 6, 1906.

ANGLO-RUSSIAN understanding respecting Persia.

The purposes for which we suggested our line of demarcation to the Russian Government are those to which you refer in your telegram No. 271 A of the 3rd instant, and will probably form the basis of such negotiations as may follow.

[33847]

No. 54.

Sir A. Nicolson to Sir Edward Grey.—(Received October 7.)

(No. 259.)

(Telegraphic.) P.

PERSIAN telegraphs.

St. Petersburg, October 7, 1906.

Minister for Foreign Affairs said that he could not give me a reply to-day respecting Meshed-Seistan line, but that he would do so very shortly. I have pressed him to give

me a reply before he leaves next Thursday on a three-weeks' holiday. I shall see him again before he leaves, and he promises to do his best. He has seen the Emperor, and spoken with His Majesty on the questions at issue between us, but he did not disclose the result of their conversation.

[33846]

No. 55°.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 7.)

(No. 275.)

(Telegraphic.) *En clair.*

Tehran, October 7, 1906.

THE Shah to-day inaugurated the National Assembly by receiving the Tehran Deputies, to whom the Imperial Speech was read in the presence of the grand dignitaries of the Court and foreign Representatives.

No. 55°.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 7.)

(No. 275.)

(Telegraphic.) *En clair.*

Tehran, October 7, 1906.

THE Shah to-day inaugurated the National Assembly by receiving the Tehran Deputies, to whom the Imperial Speech was read in the presence of the grand dignitaries of the Court and foreign Representatives.

[33845]

No. 55.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 7.)

(No. 274.)

(Telegraphic.) P.

BAKHTIARI negotiations.

Tehran, October 7, 1906.

I suggest, after hearing Government of India's views, that Bakhtiari affairs should be intrusted to Lorimer under direction of Legation. All the correspondence should be forwarded through the Consul-General in whose district he may happen to be at the time, and copies of such documents supplied to the other Consul-General.

[33845]

No. 56.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 174.)

(Telegraphic.) P.

Foreign Office, October 8, 1906.

I APPROVE the suggestion in your telegram No. 274 respecting conduct of Bakhtiari affairs.

[34185]

No. 57.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 9.)

(No. 276.)

(Telegraphic.) P.

Tehran, October 9, 1906.

SEISTAN riots.

Consul has represented to the Government of India that the Russians have now about forty-five men at Seistan, and that the retention of our levies is desirable. He is of opinion that the hope of securing mutual withdrawal may induce the Persian authorities to fulfil their promises with regard to the punishment of the rioters.

Government of India propose to concur.

I, too, think that the retention of the levies may have a wholesome effect on the Seistan authorities; and it might, perhaps, be undesirable to make concessions to Russia in that quarter apart from the larger settlement.

I have accordingly informed Government of India that I see no objection to the retention of these men.

[34271]

No. 58.

India Office to Foreign Office.—(Received October 10.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Mr. Secretary Morley, forwards herewith, for the information of the Secretary of State, a paraphrase of a telegram to the Viceroy, dated the 8th instant, relative to the Karun irrigation scheme.

India Office, October 10, 1906.

Inclosure in No. 58.

Mr. Morley to Government of India.

(Telegraphic.) P.

India Office, October 8, 1906.

KARUN irrigation. Your telegram of the 23rd ultimo.

In view of present position of negotiations, it is not considered practicable by His Majesty's Government to make any advance to Persia otherwise than in agreement with Russian Government, and His Majesty's Government do not consider that approaching them on the subject would be advisable.

[34278]

No. 59.

Sir A. Nicolson to Sir Edward Grey.—(Received October 10.)

(No. 264.)

(Telegraphic.) P.

St. Petersburg, October 10, 1906.

TELEGRAPH line between Meshed and Seistan.

I have this day received the views of the Russian Government respecting the line, in the shape of a Memorandum handed to me by the Minister for Foreign Affairs. The former arguments against the immediate exchange of the two lines are repeated in the Memorandum, and a compromise is proposed to the following effect:—

English instruments should be employed for working a special wire to be added to the Meshed-Seistan line, and Russian instruments to be used for working a similar wire which is to be added to the line connecting Tehran with Meshed. Pending a complete agreement on the entire Persian question, such a compromise would, according to the Memorandum, safeguard both British and Russian interests.

To-morrow's bag will convey a copy of the Memorandum, which explains why the *status quo* was not disturbed by recent Russian transactions on the line between Meshed and Seistan.

I did not express an opinion, merely saying that I would forward the proposal to you. To-morrow M. Isvolsky goes on a three weeks' holiday. He was anxious, he declared, to avoid arousing premature resistance to what he calls matters of detail, and reminded me of the opposition which would have to be overcome before an agreement on the Persian question in general could be arrived at. Being anxious to leave the field clear for any view which you may see fit to take of the compromise which he proposes, I abstained from making any remarks.

M. Isvolsky then read to me a telegram from Count Benckendorff, recording a conversation which the Ambassador had had with Sir C. Hardinge, whose remarks were identical with those contained in your telegram No. 381, which had already been communicated by me to the Minister for Foreign Affairs. The latter was in principle, he declared, favourable to our proposed sphere, remarking, however, that such were merely his personal views. I assured him that the fact that these views were not to be taken as a formal expression of opinion on the part of the Russian Government, but merely as personal to himself, had been carefully explained to my Government.

[34381]

No. 60.

Imperial Bank of Persia to Foreign Office.—(Received October 11.)

Sir,

25, Abchurch Lane, London, October 11, 1906.
I HAVE the honour to forward, for your information, translation of a Confidential telegram received by the Chargé d'Affaires of the Persian Legation in London from the Prime Minister in Tehran, on the subject of the overdue promissory note of the Persian Government, together with the Chairman's reply to Mirza Mehdi Khan. I further beg to inclose the translation of a telegram on the same subject which was dispatched yesterday to the chief Manager of the Bank in Tehran by the London Board and the reply received this morning.

I have, &c.
(Signed) G. NEWELL, Manager.

Inclosure 1 in No. 60.

Prime Minister, Tehran, to Mirza Mehdi Khan.(Translation.)
(Confidential.)
(Telegraphic.)*Tehran, October 6, 1906.*

IN regard to what the Chairman of the Imperial Bank states in regard to the deposit of gold money from the Treasury. You yourself must, of course, know that the Treasury gold in Persia has not been touched from ancient times, and if at any time any payment in gold has been made, it had nothing whatever to do with the Treasury gold, but was derived from the presentation sums which accumulated. Therefore, as such a step would have been in opposition to all customs and principles of the Government, this proposal could not be laid before His Imperial Majesty. It is necessary, therefore, that you should explain this matter clearly to Sir Lepel Griffin, the Chairman of the Bank, and make it clear to him that, if there was no obstacle to the withdrawal of gold from the Treasury, we ourselves would not have been reluctant to do so, seeing that we are so in need of funds at the present time. And now that the Government are in the act of making reforms and are desirous that the account of the Imperial Bank should be settled at the earliest possible moment, the Chairman must give the necessary assistance and postpone the payment so that the Government may have some leisure to get together the amount due to the Bank. Had not these unforeseen events taken place one after the other at this moment, the Imperial Government would certainly have fulfilled their desire to effect a settlement, but these occurrences have impeded matters. The Chairman himself should grasp the situation, and not refrain from giving assistance.

Inclosure 2 in No. 60.

Imperial Bank of Persia to Mirza Mehdi Khan.

My dear Mirza Mehdi Khan,

I HAVE carefully considered the telegram from the Prime Minister which you gave me, and have taken the opportunity of consulting my colleagues on the same.

It is superfluous to insist on the anxious desire of the Imperial Bank to meet the wishes of the Persian Government, but I would point out that, if the Directors of the Bank could, in the circumstances of the case, agree to a renewal of the promissory note to which His Majesty has affixed his signature, it would still be necessary to explain to the shareholders, and, consequently, to the public, at the general meeting in December, the reasons which compelled the State Bank to allow so large a sum to remain outstanding beyond the normal limits of our Concession.

I trust that some way out of the difficulty may still be found, and we have instructed our chief Manager in Tehran to consult with the British Minister with a view to a settlement.

Yours very sincerely,
(Signed) LEPEL GRIFFIN.

Inclosure 3 in No. 60.

Imperial Bank of Persia to Mr. Rabino.(Translation.)
(Telegraphic.)*25, Abchurch Lane, London, October 10, 1906.*

REFER question payment overdue promissory note, to which signature of Shah was obtained through Legation, to British Minister for favour of settlement; unless settled matter must be explained to general meeting and public. We are most anxious save reputation Persian Government. Before doing this inform Prime Minister of intended action.

Inclosure 4 in No. 60.

Mr. Rabino to Imperial Bank of Persia.

(Translation.)
(Telegraphic.)

WE have seen British Minister, who is telegraphing Foreign Office ask for instructions.

Tehran, October 11, 1906.

[34383]

No. 61.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 11.)
(No. 278.)

(Telegraphic.) P.

Tehran, October 11, 1906.

LOAN. Mr. Grant Duff's telegram No. 49 of the 18th February.

Shah's promissory note for 150,000*l.* is now overdue, and the Manager of the Imperial Bank informs me that he has received stringent orders from London to press for payment.

The Persian Treasury cannot meet this obligation (although there is reason to believe the existence of a gold reserve for emergencies of a dynastic or political character), and the money cannot, according to your instructions, be paid out of the proposed new advance.

I venture to suggest that you should explain the situation to the Directors of the Imperial Bank with a view to their consenting to postpone their demand.

I understand that the Directors fear that the whole situation may have to be disclosed at the general meeting.

I believe the difficulty as to the promissory note is mainly a legal one.

[33806]

No. 62.

Sir Edward Grey to Sir A. Nicolson.

(No. 399.)

(Telegraphic.) P.

Foreign Office, October 11, 1906.

FRONTIER difficulty between Persia and Turkey.

If the Russian Government agree, His Majesty's Government are willing that the Russian and British Representatives should let it be known verbally to the Grand Vizier that their Governments are prepared to assist in the completion of the frontier, participating for this purpose with the Commissioners appointed by Turkey and Persia, by delimiting the line within the zone which they (the Russian and British Governments) have already laid down as that within which the boundary is to be found. Inform M. Isvolsky.

I have suggested to the Russian Ambassador here, in reply to a communication which he made to me, and in which M. Isvolsky asked my opinion, that the Grand Vizier might be approached by the Ambassadors separately, in order that, in case the communication should not be well received, it should not have too formal a character in the first instance. I also suggested that the Representatives might indicate to the Grand Vizier that, if the frontier which Turkey claims is the River Lahan, the difficulty should be susceptible of peaceable adjustment in the manner proposed, as such a line would appear to lie near the middle of the neutral zone which was defined in 1865; that therefore it would be exceedingly unfortunate that a conflict between Turkey and Persia should arise out of the question; and that the offer of our good offices has been made with a view to obviating such a result.

[32992]

No. 63.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 155. Confidential.)

Sir,

I HAVE received Mr. Grant Duff's despatch No. 223, Confidential, of the 10th ultimo, in which he concurs in Mr. Wratislaw's opinion that some mark of attention

Foreign Office, October 11, 1906.

might with advantage be conferred on His Imperial Highness the Valiahd by His Majesty's Government.

I should be glad to be furnished with your views as to the expediency of taking such a step at the present time, when His Majesty's Government are conducting negotiations with the Russian Government in regard to Persian affairs.

I am, &c.

(Signed) EDWARD GREY.

[34479]

No. 64.

Sir G. Mackenzie to Foreign Office.—(Received October 12.)

23, Great Winchester Street, London,
October 11, 1906.

Dear Sir Charles Hardinge,

THE present situation leads me to hope that an opportunity may present itself of coming to such an understanding with Russia as will enable us to retrieve the lost ground in Persia. With this in view I venture to send you copy of a letter I addressed to your predecessor in 1901 on the subject of establishing spheres of influence. Should this be possible I hope the difficulties created in Africa by adopting a strict line of latitude for demarcating the dividing line between the Congo Free State and British East Africa will be avoided.

The 34th degree of latitude in Persia would very nearly serve the purpose, but not quite, for it cuts out the route that carries the important trade between Bagdad and Persia, as well as the important centres of Kermanshah, Hamadan, and Sultanabad, whose trade should naturally gravitate to the Persian Gulf. Should these important towns be thrown into the northern sphere the proposed route from Shuster via the Karun and Dizful Valley would be rendered abortive.

Russia may very well rest satisfied with the richer provinces of Azerbajand, Gillan, Mazandaran, and Khorasan. In my opinion the dividing line should run, say, from Sulenamich on the Turkish frontier (north of Khanakin) to Hamadan and thence to Kum, and from Kum in a straight line across the Great Salt Desert, which forms a natural boundary, to some point north of Birjand.

I inclose a rough sketch map which will better explain my meaning. I trust you will pardon my intrusion, but the subject is one that I am much interested in, it having received my close and constant attention since 1873, when I opened the Ispahan-Shuster route and secured the friendship of the Bachtiari tribe.

Yours very truly,
(Signed) GEORGE S. MACKENZIE.

Inclosure 1 in No. 64.

Mr. Mackenzie to Foreign Office.

Dear Sir Thomas Sanderson,

November 18, 1901.

REFERRING to our last interview, I promptly communicated your decision to Mr. H. B. Lynch, and arranged that the Karun service was to be continued till such time as a definite decision regarding the future might be determined upon. He promised to call next morning at the Foreign Office and arrange the matter, and I presume he did so. Meantime I am suspending negotiations regarding the road construction between Shuster and Hamadan, via Khoramabad, pending a definite decision in Tehran.

The time being opportune, I trust our Government intends showing our northern neighbours that they are determined to hold the ground firmly in our legitimate sphere of influence in Southern Persia, and that in doing so there is no desire to encroach upon or hamper in the slightest degree the operations of Russia in the northern sphere.

The Great Salt Desert forms a well-defined dividing line between our respective spheres of influence. It is not suggested that we should extend beyond Kum and

Hamadan northwards, but I maintain we ought no longer to hesitate in establishing our position by the construction of roads from the south to those points. Let the Russians push their roads thus far and capture what trade they can along either road, but give us at least the opportunity of drawing the trade in the southern sphere of influence to the Persian Gulf ports. Such a policy must strengthen the financial, commercial, and political position of Persia.

What is the real object in the alleged desire of Russia to get a port in the Persian Gulf? Would it afford any facilities to the trade of the northern provinces if subjected to the extra land carriage to reach the water base there? The explanation is that, having established and secured her position from north to south, she aspires to close the Persian ports against our trade, as has been done at Batoum and the Caucasus. What hindrance can she now find under existing circumstances in using the ports of the Persian Gulf for her steamers? They go there on equal terms with British vessels, and her subjects enjoy the same privileges as ours.

The more she opposes our development within the southern sphere, so much more persistent should our Government be.

I have studied the question closely and continuously since 1868, when I first visited Persia, and have the advantage of local knowledge and an intimate knowledge of our commercial requirements there. I do not hesitate to say that had what I have so frequently advocated in years past been adopted the position to-day would be very different.

In 1875, when the route from Ispahan to Mohammerah was opened by me for the first time, I laid a feasible scheme before the Foreign Office, and suggested to your predecessor, Mr. Hammond (as he then was), that a Consul be appointed at Ispahan and the River Karun opened to navigation. He replied that any advance on our part from the south would induce Russian activity in the north.

Our relative position in the north and south to-day proves the error of such a policy. It is true the Karun has since been opened to navigation, but the delay did not permit of the advantages originally presented being fully availed of, and much has been thereby sacrificed.

Whatever may have been the policy of our Government, it did not impress the Persians, and they felt our commercial interests had not the energetic support of our Representative at Tehran. So much is this the case that British capital has largely been withdrawn and British enterprise stifled.

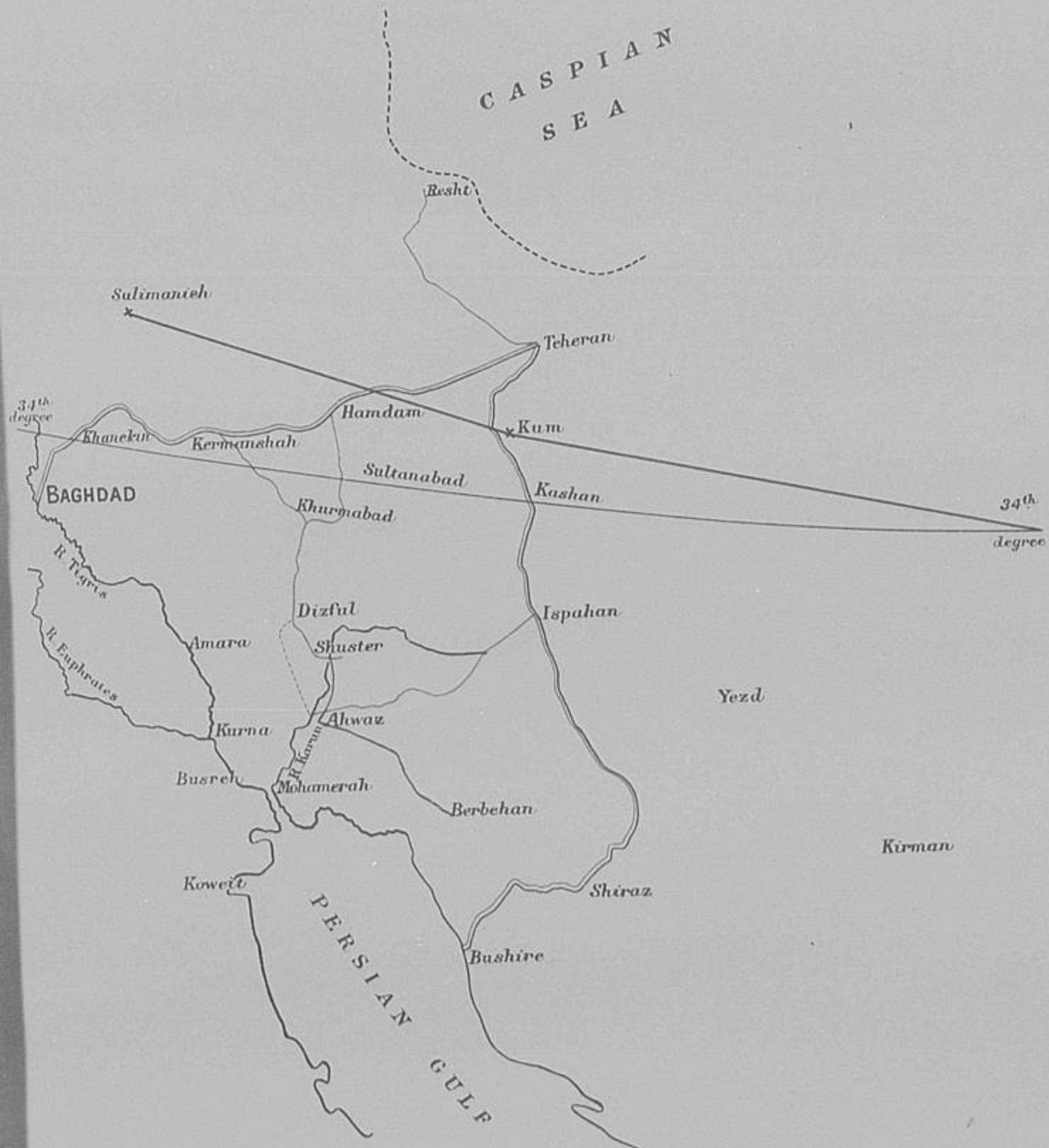
This is no vague charge. When, in 1877, I presented a draft Concession for the navigation of the Karun to His Majesty's Minister in Tehran and asked for his support and advice, I was curtly informed he was not there to offer suggestions. The Chargé d'Affaires was present when the Concession was under discussion by me with the Sadr-Azam, and when an obstructive suggestion was put forward by the Sadr, Sir Ronald Thomson made it apparent that he did not favour the scheme; thereupon I withdrew, and further discussion of the subject ceased.

The subsequent negotiations which I carried on in 1886-87 for a Concession to construct a light railway from Ahwaz via Khoramabad to Kum are no doubt within your recollection. These negotiations were superseded by the creation of the Imperial Bank of Persia, which, as it was then supposed, would safeguard British interests in Persia. The most important work the bank has done is, I consider, in obtaining the Concession for road construction, and should that now be allowed to become inoperative our position in Persia is hopeless. It is not unreasonable, seeing the progress made by Russia in the past twenty-five years, to predict that unless we secure our position at Kum and Hamadan the next generation will see the ports in the Persian Gulf as much Russian as those of the Black Sea and Caspian.

When I first went to Persia a large amount of British capital was invested in the northern provinces. This has long since been withdrawn. Then my firm embarked and lost a considerable amount of capital in the effort to push commercial interests in Ispahan and Southern Persia, but from the lack of support in an important test case we were compelled to close our establishment in Ispahan and withdraw from trading in the interior. You have a complete record in the Foreign Office of the case referred to, which is but a sample of several others.

Bad as the position is to-day, I do not believe it to be irretrievable did we even now show a firm front and insist upon our rights. These probably would be best and easiest secured through the opening of roads from the south so long advocated, and the jealous insistence on the prompt settlement of just and reasonable claims.

The chief point of interest to Great Britain is the future of Southern Persia and the surrounding country, which has hitherto served as the area through which the trade of



[34494]

No. 64°.

Sir A. Nicolson to Sir Edward Grey.—(Received October 12.)

(No. 267.)

(Telegraphic.) P.

St. Petersburg, October 12, 1906.

I HAVE received a communication from the Ministry for Foreign Affairs expressing a desire that the terms of our respective advances to the Persian Government should be identical, and inquiring your views. The Russian Government wish to fix 9 per cent. as the rate of interest, and the 22nd March, 1907, as the date of repayment. In their opinion, 12 per cent. is the normal rate of interest in Persia, and they consider that the rate of interest of the prospective future loan would be prejudiced if such a low rate as 5 per cent. were now demanded.

They also are of opinion that a date of repayment should be fixed, and would prefer an early date in order to prevent the Persian Government from unduly protracting the negotiations of a loan in the event of one being necessary.

the Persian Gulf is derived. If our Government preserves a firm and resolute attitude, the absorption of this into the Russian sphere may be indefinitely postponed; if we are indifferent or feeble, the process will be precipitated.

Yours very truly,
(Signed) GEORGE S. MACKENZIE.

Inclosure 2 in No. 64.

Sketch Map.

[34489]

No. 65.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 12.)

(No. 279.)

(Telegraphic.) P.

LOAN. My telegram No. 273 of 5th October.

The Russian Minister is still in the country, and has made no further communication to me.

I am informed by M. Naus that he has handed a formula of certificate as to Government expenditure to the Russian Minister. The formula seems satisfactory.

As to our guarantee, M. Naus said that the Persian Government would prefer a statement that it was to be the same as in our previous loans.

What answer should I give if the Russian Minister makes this same proposal? Its acceptance might, on the one hand, amount to our recognition of the Russian definition of their guarantee, that is, the inclusion in it of Mohammerah. We might, on the other hand, still maintain that we have made clear by our note to the Persian Government (see Foreign Office No. 121 of 8th August, 1905) the interpretation placed by us on the phrase "ports of the Persian Gulf," and that we have shown therein that in certain contingencies we mean to enforce our rights.

The question raised is an important one, and I therefore beg that I may be favoured with instructions.

[34491]

No. 66.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 12.)

(No. 280.)

(Telegraphic.) P.

PERSIAN finance.

The following information was obtained from M. Naus in a long conversation which I have had with him:—

The finances of the Persian Government are becoming more and more embarrassed, but if the internal taxation were at once reorganized a solution would be found. M. Naus has offered his assistance to the Persian Government for this object. This would give M. Naus a position of very great authority, for it would amount of course to an interior control similar to the Customs control.

M. Naus said, at the same time, that when the Railway Agreement came to an end in 1910, Belgian capital might be forthcoming for a line from Tabreez to Meshed.

These designs would meet with strong popular opposition. M. Naus may be counting on Russian support to carry them out. His sympathies seem lately to lean towards Russia.

[34493]

No. 67.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 12.)

(No. 281.)

(Telegraphic.) P.

MESHED-SEISTAN line. Your telegram No. 177.

With regard to the technical aspects of the question, I will consult with the Director of the Indo-European Telegraph Department, who returns to town on Sunday.

With regard to the political aspects:—

1. Acceptance might debar us from pressing for the Kuh-i-Malik Siah extension, as we should already have received compensation.
2. Russian agents would still be posted along the Afghan frontier.

I presume that not only would the instruments be British, but that we should also have British operators.

[4383]

No. 68.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 179.)

(Telegraphic.) P.

PERSIAN finances and Imperial Bank.

It is not possible for us to interfere in the matter of the Shah's promissory note, referred to in your telegram No. 278 of yesterday.

Foreign Office, October 12, 1906.

[34487]

No. 69.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 181.)

(Telegraphic.) P.

LOAN to the Persian Government.

With reference to your telegram No. 279, of yesterday.

His Majesty's Government hold to their interpretation, laid down in Foreign Office despatch No. 121 of the 8th August, 1904, of the term "ports of the Persian Gulf." The Persian Government must make arrangements accordingly. You should make this clear to them.

At the same time we think you may state that the guarantee for this loan will be the same as that taken for our previous loans to Persia.

[34600]

No. 70.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 14.)

(No. 285.)

(Telegraphic.) P.

PERSIAN loan.

Telegram from St. Petersburg, No. 267 of the 12th October.

I venture to submit following considerations:—

1. Identity of the terms of our respective advances is quite essential.
2. Russia is forced to ask a high rate of interest from Persia, as she herself cannot borrow money at less than about 7 per cent. (See rate of the Russian loan of 1906.)
3. Condition as to term of repayment is impossible as fixed.
4. The exactation of hard terms from Persia is most undesirable, in view of the popular movement against all loans from foreign Governments, and it might induce the Persian Government to come to a private arrangement with the new German bank behind our backs.

A possible compromise might be a loan at 8 or 9 per cent. without mention of term of repayment.

M. Naus regards a new and larger loan as essential, and the Russian Treasury consider it desirable, but—

1. I presume His Majesty's Government will not be able to take a share in it.
2. A great popular outbreak would probably occur here in the event of such a loan being concluded.

[34595]

No. 68 A.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 13.)

(No. 282.)

(Telegraphic.) P.

Tehran, October 13, 1906.

ANGLO-RUSSIAN advance.

Russian Minister and I agreed in conversation that both countries would be jointly benefited if some statement were made public to the effect that we had both always advocated the independence and integrity of Persia, and that the first object of our negotiations was to confirm and strengthen this principle.

A communication in the sense of your telegram No. 172 has been made to the Minister for Foreign Affairs.

[34596]

No. 68 B.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 13.)

(No. 283.)

(Telegraphic.) P.

Tehran, October 13, 1906.

PERSO-TURKISH frontier dispute.

Yesterday the German Minister arrived in Tehran.

The German Government, I understand, in virtue of the right accorded to Germany by Article XVIII of her Treaty with Persia, is contemplating eventual intervention in the Azerbaijan frontier dispute in conjunction with Russia and ourselves. The impression current here that the Sultan, without German encouragement, would not act as he is doing, is somewhat embarrassing to Germany.

[34598]

No. 68 C.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 13.)

(No. 284.)

(Telegraphic.) P.

Tehran, October 13, 1906.

ANGLO-RUSSIAN advance.

My telegram No. 279.

Russian Minister tells me that a difficulty has arisen as to the severe terms (with regard to the date on which the loan is to fall due) demanded by the Russian Treasury, no conditions having been made by the English Government as to the time of repayment. He professes great annoyance at this hitch. The Minister for Foreign Affairs has now left St. Petersburg, and he has received no answer to his telegrams.

The late Director of the Russian Bank is now in St. Petersburg. He is opposed to all common action with us, and I fear that there is reason to suspect his intervention.

M. Hartwig was much depressed. He made no mention of the question of terms of guarantee.

[34605]

No. 71.

Sir A. Nicolson to Sir Edward Grey.—(Received October 15.)

(No. 662. Confidential.)

Sir,

St. Petersburg, September 29, 1906.

I CALLED on M. Isvolsky this morning, and inquired of him, in the first place, whether he could give me a reply to the proposal which I had made that all details as to the mode in which the proceeds of the first moiety of the advance to the Persian Government should be applied, should be settled by the two Representatives at Tehran, His Excellency said that he was consulting with the Minister of Finance on the subject, and that he would let me have a reply very shortly.

I then said that I wished to inform him that His Majesty's Government considered that it was desirable that the Russian Government should recognize at once a line from Birjand to Bunder Abbas as the western limit of a British sphere of influence. I pointed out that, in co-operating with Russia in a joint advance to Persia, we desired to obtain a general settlement of the relations between Russia and Great Britain in that country, and that we should much prefer if the acceptance of our line should be adopted as a starting-point for common action.

M. Isvolsky said that he must repeat to me what he had stated on a former occasion, that the question of spheres of influence should, in his opinion, not be associated with that of a simple advance. He dwelt at some length on the importance of spheres of influence, and the grave questions to which they gave rise, and that they were not matters which could be decided off-hand. He wished to understand clearly what I had said, and so he would ask me the direct question whether my Government wished to make their co-operation with Russia in an advance to the Persian Government conditional on the acceptance of the line from Birjand to Bunder Abbas. I replied that I would tell him frankly that my Government did formulate that condition, in any case with respect to the second moiety of the advance. His Excellency observed that in these circumstances he must explain to me fully and frankly how matters stood.

He had come to me, I would remember, as soon as he had received news from Tehran that the Persian Government were in urgent need of funds, and had given me full particulars as to the requests which had been made to the Russian Legation. He had done so in a loyal desire to act in harmony with the spirit of the tacit agreement which had been made between Count Lemsdorff and Sir C. Spring-Rice, and also with the view of taking the first step towards common action in Persia which, he trusted, would lead later to a mutual agreement. It was then decided that the advance or at any rate, a portion of the advance, should be made conjointly. I had later communicated to him the desire of my Government to obtain as part of the guarantees for their portion of the advance a certain sphere to be under exclusive British influence. He had, at the same time, expressed to me his objections to associating so large a question as spheres of influence with so relatively small a matter as an advance. He had told me frankly his own personal views as to the line in question, which were of a favourable nature, but he had requested me to take them as simply as his own personal views, and not those of the Russian Government. He had hoped that the above considerations, which I had doubtless communicated to my Government, would have shown that it was desirable not to make the larger question dependent on the lesser. I had, however, returned to the charge, and if my Government still maintained their standpoint the treatment of the negotiations would be rendered exceedingly difficult. He wished to be perfectly frank and loyal with me, and he would speak without reserve. The question of spheres of influence in Persia was not a matter to be settled off-hand at twenty-four hours' notice. It was an extremely delicate question, requiring much thought and consideration. The sphere I had mentioned was a most important one, involving great political and strategical considerations, and though he was personally in favour of it, he would have to fight hard to procure its acceptance by others. That was one point to be taken into consideration. There were other points also which could not be left out of account.

We were engaged in negotiations of a very far-reaching character, involving complex questions interdependent and connected with one another. They treated of matters which had engaged both countries for many years, and which had on more than one occasion brought the two countries into difficult crises. We both desired, if possible, to lay down the bases of an arrangement which would preclude all danger in the future of possible collisions and rivalry, and we also both wished to settle our mutual relations in regard to Thibet, Afghanistan, and Persia in such a manner as

would enable us to live in mutual amity and peace. I had explained to him at the outset of the negotiations that I did not wish for three separate Conventions, but for one Convention covering all the three great questions, and in fact that we both should follow the same procedure as had been adopted in the negotiations leading to the Anglo-French Agreement. He thought that this was a good method of procedure, as one country could make concessions on one question, and the other country yield a little on another. This was in the proper spirit of a negotiation. But His Majesty's Government now wished apparently to settle one part, and an important part, of one question before an Agreement had been reached on other questions, and the reason which was given for this procedure was based on what he could but consider insufficient grounds, viz., a relatively small advance of a few million fr. to Persia.

He sincerely trusted that the negotiations would not be "rushed," and that he should be allowed time to clear away the obstacles which lay in the path of a successful issue. If His Majesty's Government continued to insist on the condition which I had mentioned as to the second moiety of the advance, the Russian Government would have, if the exigencies of the Persian Treasury required it, to make that portion of the advance out of their own resources. It might be inconvenient, but they would be able to find the 200,000!. He trusted that I would lay all these considerations before you, and see if you would not be disposed to reconsider your decision.

I told M. Isvolsky that, of course, I would faithfully repeat to you all that he had said. At the same time I would wish to point out to him that the sphere which I had been authorized to propose might be strategically important, but only to us from a defensive point of view. Russia would probably, as I had understood him, seek for a similar zone somewhere in the north, which also would possibly have strategical importance. But our views, as his, were to make for peace and so to arrange matters as would separate and remove all chances of collision. I understood that our respective zones were not to be contiguous; it was better to my mind that they should not be; and I thought that a recognition of our line would not have all the consequences which he had foreshadowed. Still, I said that I had perfect confidence in his loyalty, and I did not wish to undervalue the considerations he had put forth. Although I considered, and I did not doubt that I reflected your opinion, that the treatment of the three large questions, Thibet, Afghanistan, and Persia, must be taken as a whole, it would be necessary to arrive at a clear understanding on each question before drawing up the final Convention. We had practically done so on Thibet, and we could equally do so as to Persia. I did not doubt that his task would be a difficult one, but at the same time protracted delay was undesirable, as third parties had, as he said, watchful eyes, and might intervene.

I had intercalated in our conversation the question of the Meshed-Seistan line, but for sake of lucidity I reserve this for another despatch.

My own impression is that M. Isvolsky is perfectly sincere, and that he in no wise is raising unnecessary or imaginary difficulties. I am afraid that if we continue to insist on a preliminary and immediate recognition of the Birjand-Bunder Abbas line, we may frighten him off the whole question. Underlying much of what he said to me is, I think, a suspicion that we may be trying to take advantage of the financial and internal difficulties of Russia to force her hand. It is for the ultimate success of our negotiations desirable to remove this suspicion, and, if I may venture to say so, I think it would be prudent to take the advance to Persia as a first step towards joint action, without insisting on other conditions which M. Isvolsky may at present feel it impossible to accord.

I have, &c.
(Signed) A. NICOLSON.

[34606]

No. 72.

Sir A. Nicolson to Sir Edward Grey.—(Received October 15.)

(No. 663.)
Sir,

St. Petersburg, September 29, 1906.

I TOLD M. Isvolsky this morning that I wished to speak to him seriously on a question which, I feared, unless promptly settled, might become a troublesome one. I alluded, I said, to the Meshed-Seistan line; and I observed that, since I had last spoken to him on the subject, further steps had been taken, and that now the Seistan end of the line had been brought into the Russian office at Nasratabad, which was a separate room, whence connection was led into the Persian office. This, therefore,

gave control over that end of the line as well as over the terminal line at Meshed to the Russian authorities. This was a condition of affairs which was extremely unfortunate. I said that I had proposed to him a very fair and reasonable compromise, to be effected by an exchange of our supervision over the Tehran-Meshed line for the Russian control over the Meshed-Seistan line. The Tehran-Meshed line might be of use to the Russian authorities, while the other line was of little value to them, and, as matters at present stood, there would be constant causes for trouble and inconvenience. I was, therefore, instructed to repeat my above-mentioned proposal and to express the hope that it would be immediately carried into effect, and before we discussed further the question of making a joint payment of the second moiety of the advance to the Persian Government.

M. Isvolsky repeated to me the arguments which he had used on the former occasion, and said that he would be prepared to study my proposal, but he feared that the transfer of the two lines would make a noise ("retentissement") throughout Persia, and awake the curiosity of other parties. Was it wise for us, he asked, to disclose prematurely to the watchful eyes of third parties any portion of our cards? Should we, before we had advanced very far in our general negotiations, afford to others an insight into the aims of our discussions? He thought we should be very careful in this respect. I said that I did not see why more "retentissement" should be caused by the step I had suggested than by the fact of our making a joint advance. His Excellency observed that the Persian Government might be alarmed at so striking an evidence of our co-operation, and I replied that I did not think that this would be a disadvantage.

M. Isvolsky said that it might induce the Persian Government to turn to a third party; but with this view I did not agree, or attribute great importance to it. His Excellency said that Germany had no political interests in Persia, and was unable so make her presence felt there in the way that Russia and England could; and, in these circumstances, Persia might regard her as an disinterested friend to whom she could apply for advice and assistance. He did not wish to hasten this possible intimacy before our general arrangement was concluded. I maintained that it was of importance that all causes of friction between us should be removed, and I foresaw possibilities in the near future of trouble and annoyance if the Russian authorities retained their hold over the Seistan line. His Excellency said he would examine the question, though he confessed he did not see the urgent importance of it.

I have, &c.
(Signed) A. NICOLSON.

[34607]

No. 73.

Sir A. Nicolson to Sir Edward Grey.—(Received October 15.)

(No. 664.)
Sir,

St. Petersburg, September 29, 1906.

MENTIONED to M. Isvolsky that I thought that it would be most desirable, and I was also repeating the opinion of my Government, that during our negotiations a truce should be declared in regard to the rivalry of our respective agents in the Persian provinces. I said that it was natural that those in the distant districts of Persia who had inherited the traditions of rivalry should continue the course which their predecessors had followed, but I trusted that he would issue instructions which would lead his officials to lay down their arms.

M. Isvolsky said that he entirely agreed with the above views, and that he had already issued instructions to that effect, but that he would repeat them in a positive form. He added that he had already removed from the Russian Legation an official whose influence he considered was injurious.

I have, &c.
(Signed) A. NICOLSON.

[34612]

No. 74.

Sir A. Nicolson to Sir Edward Grey.—(Received October 15.)

(No. 669.)

Sir,

I INFORMED M. Isvolsky at his weekly reception to-day that His Majesty's Government had carefully considered the views which he had expressed to me at our last interview, and also his desire that His Majesty's Government should not insist on the recognition by the Russian Government, prior to British co-operation in the second moiety of the advance to the Persian Government, of a British sphere of interest to the east of a line drawn from Birjand to Bunder Abbas. I was now authorized to acquaint him that my Government were prepared to proceed with the joint advance without requiring an immediate acceptance on the part of the Russian Government of the sphere in question. I said that we felt assured that he personally would use his best endeavours to procure the assent of his colleagues to the sphere in question, as he had already informed me that his own views were in favour of it; and His Majesty's Government considered that the joint advance would form a good beginning for common action, which they trusted would lead to a comprehensive and durable arrangement such as he desired.

M. Isvolsky expressed his warm thanks for this communication, and renewed his assurances that he would do his utmost to remove any obstacles which might arise in the way of an acceptance of the sphere to the east of the line I had mentioned. He repeated that he was in favour of such a solution, and added that he had deprecated its acceptance being laid down as a condition to our joint action in the matter of an advance, as he would have to overcome considerable opposition. He would have, indeed, to change what he termed the "mentalité" of a group of persons, who had been accustomed to view our mutual relations in Persia from a very different standpoint, and this would take some little time.

I observed that my Government were prepared to send instructions to their agents in Persia to cease, pending our discussions, from taking any steps which might be to the disadvantage of either party—in fact, to call a truce for the present.

His Excellency said that, as he had informed me on the last occasion when we spoke on the matter, he had already sent instructions to that effect, and he was pleased to learn that His Majesty's Government were of the same opinion.

I did not mention to M. Isvolsky anything regarding the lien which we intended to take on the customs revenues in the south of Persia and in the Gulf as a guarantee for our share of the advance. I have spoken to him on more than one occasion on this point, and he has always agreed to our intentions without demur. On the 14th September I left with him a written Memorandum, copy of which I had the honour to inclose in my despatch No. 621 of the 14th ultimo, stating the nature of the guarantee which we intended to secure. I feared that undue insistence on my part on this point might arouse his curiosity, and possibly awaken a desire to look for guarantees himself in that direction.

I have, &c.
(Signed) A. NICOLSON.

[34613]

No. 75.

Sir A. Nicolson to Sir Edward Grey.—(Received October 15.)

(No. 670.)

Sir,

I SPOKE to M. Isvolsky yesterday afternoon in regard to the telegraph line between Meshed and Seistan, and I told him that His Majesty's Government earnestly desired to see this question settled without loss of time. I pointed out to his Excellency that the transactions which had recently occurred at Meshed and at Nasratabad constituted, in the opinion of my Government, a disturbance of the *status quo* to the disadvantage of British interests, and I felt sure that, if matters were allowed to remain as at present, there would be constant frictions and troubles, which it was especially at this moment the desire both of my Government and I knew of his Excellency also to avoid. I had proposed, under instructions from you, a very fair and reasonable arrangement which would obviate any difficulties in the future, and I was convinced that the exchange of our respective controls over the

No. 74.

Tehran-Meshed and the Meshed-Seistan lines would offer a satisfactory solution of the matter. I impressed on his Excellency that my Government attached importance to the matter being settled in the way I had indicated with as little delay as possible.

M. Isvolsky begged for a little time to examine the question, and he repeated to me the arguments which he had employed on a former occasion, and especially referred to the transfer of our respective controls awakening the curiosity of third parties, and disclosing to them, in a measure, the methods by which we proposed to arrange our mutual relations in Persia.

I told M. Isvolsky that my Government did not share his apprehensions on this point, and, indeed, it seemed to me that the solution which I had suggested would appear to all as a perfectly simple and natural one. No other country but ourselves—Persia, of course, excepted—had any interests either in Khorassan or in Seistan, and while I was ready to admit that Russian interests predominated in the northern section, it was equally clear that British interests predominated, I might almost say exclusively in the Seistan districts.

As matters stood it seemed illogical that Russia should control a line in Seistan while we exercised one over a line in the north. I proposed, therefore, a mutual concession, to be carried out in a spirit in harmony with that which inspired the new departure we were both taking in respect to Persian affairs, and which would clear the ground of a question which I feared, if allowed to remain in its present situation, would prove a troublesome and thorny one. The details concerning the transfer would be extremely simple, and I could not conceive that they would cause any excitement or misunderstandings.

M. Isvolsky said that he was not opposed to the transfer in principle, but that he must ask for time to examine the question more carefully. I said that I did not wish to extort from him a reply at our present interview, but that I trusted his examination would be concluded with as little delay as possible.

As it was his Excellency's weekly reception, and as many others were waiting to see him, I could not unduly prolong our interview, but on my return home I recapitulated in a private letter the arguments which I had employed, and again impressed upon his Excellency the urgency of a settlement.

I have, &c.
(Signed) A. NICOLSON.

[34623]

No. 76.

Sir A. Nicolson to Sir Edward Grey.—(Received October 15.)

(No. 680.)

Sir,

AT his weekly reception to-day M. Isvolsky read to me a Memorandum, of which I have the honour to transmit a copy herewith, in regard to the views of the Russian Government respecting the Meshed-Seistan telegraph line and the proposal which I had made on behalf of His Majesty's Government for a solution of the difficulty. His Excellency gave me the Memorandum when he had finished reading it, and I said I would communicate it to you by to-morrow's messenger.

M. Isvolsky said that he had studied the question very carefully, and felt assured that it would be inopportune to carry through an exchange of the two telegraph lines, not only on account of the reasons mentioned in the Memorandum, but also because it would raise prematurely the resistance with which he would have to contend to bring to a successful issue our negotiations in respect to a general arrangement of our mutual relations regarding Persia.

I made no observations on these remarks beyond saying that I trusted he would succeed in overcoming any opposition he might meet with during the course of our general negotiations. I thought it would be prudent to abstain from discussing the compromise which he suggested, firstly, because I was unwilling to prejudge any views you might have on the subject; and, secondly, because a discussion on the eve of his departure on a holiday could lead to no useful result. Moreover, my memory as to the history of the establishment of the Meshed-Seistan line was not sufficiently fresh to enable me to refute or admit off-hand the accuracy of the history of events as given in the Memorandum.

Assuming that the establishment of special wires is practical, it seemed to me, on first impressions, that the solution did not remove one of the chief objections to the Russian control of the line which existed in the presence of Russian telegraphists and other employés in the Eastern Persian districts. It is, however, for His Majesty's Government to decide whether the compromise suggested by M. Isvolsky will serve as a provisional arrangement pending the conclusion of a final agreement on the whole Persian question.

M. Isvolsky then read to me a telegram which he had received from Count Benckendorff, giving, his Excellency assumed, a summary of a Memorandum which had been communicated to the Ambassador by Sir C. Hardinge. The summary was in English, and was almost in identic terms with the substance of the telegram No. 381 which I had the honour to receive from you on the 3rd instant. M. Isvolsky said he had no exception to take to the terms of the communication, but he would wish to remark to me that the views he had communicated to me were merely personal to him, and that he had only accepted the principle of the sphere of interest which was indicated by the line Birjand-Bunder Abbas. I replied that I had at the time explained that the views he had been good enough to express to me were merely personal, and that I was sure that there had been no misunderstanding on that point. Neither my Government nor myself had taken them as an official expression of opinion on the part of the Minister for Foreign Affairs speaking on behalf of the Russian Government, and I had, I added, acquainted my Government with the obstacles which he anticipated in the way of carrying through the proposed agreement.

I was a little puzzled at the apparent emphasis M. Isvolsky laid on his having been in favour of the Birjand-Bunder Abbas line in principle only, as on previous occasions he had expressed his own opinion very clearly on the subject, and it seemed to me as if he were now disposed to make some mental reservations. I did not think it necessary to question him on the subject at this stage, as he is well aware that we shall not modify our proposals in that respect; and I attribute his apparent hesitation to a fear that we might take the frank expression of his personal view as a binding engagement on him as Minister for Foreign Affairs before he has been able to win over all his colleagues and the General Staff to his opinions.

I have, &c.
(Signed) A. NICOLSON.

Inclosure in No. 76.

Aide-mémoire by Russian Government respecting Meshed-Seistan Telegraph Line.

LE Ministère Impérial des Affaires Etrangères continue à croire que l'inclusion du circuit de la ligne télégraphique Méched-Nousretabad dans les appareils Russes ne saurait être considérée comme une infraction au *statu quo*. La ligne en question a été, en effet, construite en 1901-1903, avec le concours matériel de la Russie, et des télégraphistes, des mécaniciens et des surveillants Russes avaient été dès cette époque admis sur cette ligne, dont la surveillance et les réparations étaient à la charge de la Russie. Dans ces conditions la mesure prise récemment n'était que le complément naturel d'un ordre de choses établi précédemment, et n'avait pour but qu'une distribution plus juste des heures de travail.

Désireux d'aplanir toute difficulté qui pourrait surgir au cours des négociations, le Gouvernement Impérial serait prêt à résoudre à l'amiable cette question. La proposition du Gouvernement Anglais d'échanger la ligne Méched-Nousretabad contre la ligne Méched-Téhéran lui inspire, cependant, quelques appréhensions. En procédant dès à présent à un pareil échange, on préjugerait dans une certaine mesure la question de principe de la délimitation des sphères d'intérêts, question qui doit encore être discutée entre les deux Gouvernements; de plus, cela ne manquerait pas de donner l'éveil à la Perse et à d'autres Puissances et à divulguer prématurément le sens des négociations, ce qui ne pourrait que nuire à leur succès. En conséquence, le Gouvernement Impérial propose un moyen terme qui lui semble devoir concilier les deux parties. Ce moyen consisterait à ajouter à la ligne Méched-Nousretabad un fil spécial inclus dans des appareils Anglais, et à la ligne Méched-Téhéran—un fil inclus dans des appareils Russes. Un arrangement de ce genre sauvegarderait les intérêts

Anglais et Russes jusqu'au moment où un accord complet entre l'Angleterre et la Russie relativement à la Perse permettrait de résoudre d'une manière définitive toutes les questions de détail qui en découleraient.

*Saint-Pétersbourg, le 27 Septembre
(10 Octobre), 1906.*

[34792]

No. 77.

India Office to Foreign Office.—(Received October 15.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Mr. Secretary Morley, forwards herewith, for the information of the Secretary of State, a paraphrase of a telegram from the Viceroy, dated the 13th October, 1906, relative to the Karun irrigation scheme.

India Office, October 13, 1906.

Inclosure in No. 77.

Government of India to Mr. Morley.

(Telegraphic.) P.

October 13, 1906.

KARUN irrigation.

Your telegram dated the 8th instant.

Following communication just received from Resident in the Persian Gulf is submitted for information:—

"Irrigable area on left bank reported by Morton to be 400 square miles, of which annual irrigation would cover 160,000 acres. Channel would cost 30 lakhs, and weir a similar sum. Irrigable area on right bank about the same, but scheme for that bank not worked out; 95 lakhs would be total cost with buildings."

To be on safe side, total cost of 150 lakhs is assumed by Public Works Department. Return would be from 5 to 10 per cent., and project would cost under 1,000,000*l.* in English currency.

We report the figures so that all available data as to possibility of scheme being taken up by European capital as political or commercial enterprise before general settlement may be in your possession.

(Repeated to Resident, Persian Gulf.)

[34857]

No. 78.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 15.)

(No. 286.)

(Telegraphic.) P.

Tehran, October 15, 1906.

PERSIAN loan.

My telegram No. 285.

My opinion that it is undesirable to impose too hard terms is shared by my Russian colleague. In the opinion of the Manager of the Imperial Bank of Persia, 9 per cent. would not be an excessive rate of interest.

The Persian Government, I hear, declares that it cannot accept the terms now offered, and popular discontent is already being aroused by rumours of a larger loan.

Meanwhile there is urgent need of a loan and great scarcity of money at Tehran.

(Confidential.)

Latest Russian proposal will force the Persian Government, in order to meet present exigencies, to accept offer for a larger loan, amounting, say, to 2,000,000*l.*

If we take part in this loan the questions of dual control and of the repression of the resulting popular discontent will be raised; on the other hand, if we do not, we leave Russia a free hand to act alone.

[34600]

No. 79.

Sir Edward Grey to Sir A. Nicolson.

(No. 406.)

(Telegraphic.) P.

ANGLO-RUSSIAN Loan to Persia.

The view of the Russian Minister for Foreign Affairs, given in your telegram No. 267 of the 12th instant, as to the desirability of the terms of interest and repayment demanded by the two Governments being identical, has the full concurrence of His Majesty's Government. We hope, however, that the considerations mentioned in yesterday's Tehran telegram (No. 285) will be carefully weighed by the Russian Government. The terms which they propose to demand appear to us to be rather stiff.

A general understanding between the Russian and British Governments, which, naturally, does not depend on the date of repayment of the first portion of the advance, is the most important object in view. There are sure to be other opportunities of securing a general settlement with Persia, which is the reason given by M. Isvolsky for fixing an early date.

[34871]

No. 80.

Sir A. Nicolson to Sir Edward Grey.—(Received October 16.)

(No. 686.)

Sir,

I HAVE the honour to transmit herewith copy of an *aide-mémoire* which I have received from the Ministry for Foreign Affairs in regard to the advance to be made to the Persian Government.

I have, &c.
(Signed) A. NICOLSON.

Inclosure in No. 80.

Aide-Mémoire communicated by Minister for Foreign Affairs.

LE Représentant de Russie à Téhéran rend compte des pourparlers qu'il a eus avec son collègue d'Angleterre au sujet de l'avance de fonds commun à faire au Gouvernement Persan. Il paraît que leurs instructions à ce sujet présentent une certaine divergence, à savoir : les instructions de Mr. Spring-Rice indiquent 5 pour cent comme taux de la part Anglaise et ne mentionnent pas le terme de l'amortissement de cette avance ; tandis que celles de M. Hartwig indiquent un taux de 9 pour cent et fixent le 9 (22) Mars, 1907, comme terme du paiement.

Le Gouvernement Impérial est d'avis qu'un taux de 9 pour cent ne saurait être considéré comme exagéré en Perse, où celui de 12 pour cent est normal ; en outre, si un emprunt est conclu ultérieurement, l'avance dont il est question en ce moment devra être convertie, et en ce cas le taux extraordinairement bas de cette avance préjugerait le pour-cent de l'emprunt.

En ce qui concerne le terme de l'amortissement, il serait préférable de le fixer à une date quelconque ; en outre, il est à prendre en considération que plus cette date sera rapprochée, moins le Gouvernement Persan aura la possibilité de traîner en longueur les négociations au sujet de l'emprunt.

Désireux, en conséquence, de rendre réciproquement conformes les termes des parts Anglaise et Russe de l'avance, le Ministère Impérial des Affaires Etrangères serait reconnaissant à l'Ambassade d'Angleterre de vouloir bien lui communiquer son point de vue à ce sujet.

Saint-Pétersbourg, le 28 Septembre
(11 Octobre), 1906.

[34985]

No. 81.

Sir A. Nicolson to Sir Edward Grey.—(Received October 16.)

(No. 268.)

(Telegraphic.) P.

St. Petersburg, October 16, 1906.

PERSIAN advance. Your telegram No. 406 of the 15th instant.

I should like to know before I meet Assistant Minister for Foreign Affairs whether, should it be necessary, I might try to meet Russian views half way by suggesting as a modification of our proposals an increase of the rate of interest from 5 to 7 per cent.

In view of the fact that Russian Government are likely to be strongly in favour of a fixed date for repayment, should I press for a prolongation of the five months they suggest to nine or twelve months or should I maintain that no date should be fixed ?

[34984]

No. 82.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 16.)

(No. 287.)

(Telegraphic.) P.

Tehran, October 16, 1906.

TURCO-PERSIAN frontier.

I am asked by the Persian Government to inform you that the Turkish encroachment has now extended to Baud, a place only 4 miles from Urmia, and that the villages in the district are being leased out by the Turks.

A formal protest is lodged by the Persian Government.

[34373]

No. 83.

Sir Edward Grey to Sir A. Nicolson.

(No. 467. Confidential.)

Sir,

Foreign Office, October 16, 1906.

THE Russian Ambassador called here on the 11th instant, and made a communication on the subject of the Turco-Persian frontier dispute to the following effect :

According to telegrams which had been received from the Russian Representatives at Constantinople and Tehran, dated the 23rd and 20th ultimo respectively, the frontier dispute was becoming serious. The Persian Government had, through their Ambassador at Constantinople, applied to the Representatives of Russia and Great Britain, requesting the intervention of those two Powers with the Porte to bring about the submission of the question to arbitration, and the appointment of the Arbitrators for the purpose.

The rights of Great Britain and Russia on this point were unquestionable, being founded on the Turco-Persian Treaty of Erzeroum of 1847, and on their participation in the frontier delimitations of 1848-69 and 1878.

The Representatives of Russia and Great Britain at Constantinople were doubtful whether the Porte would agree to a proposal of this nature, and we had therefore to consider what course of action would be best calculated to influence the Government of the Sultan. This was both necessary and desirable, because, as Sir A. Nicolson had reported, the unsuccessful result of the efforts of Russia and Great Britain at Constantinople to settle the question had not failed to produce an unfavourable impression at Tehran. An opening might thus be found for the intervention of Germany, as that Power could base her interference on her Treaty with Persia of 1873 (Article XVIII), and might thereby materially strengthen her position in Persia.

The Russian Government thought that, in view of the direct interests of Great Britain and Russia in Persia, such an eventuality should be frustrated, and that a considerable display of energy was the only means to that end. Such action would materially strengthen the basis of the joint policy which was now being inaugurated by Russia and Great Britain in Persia.

Count Benckendorff was therefore instructed to ascertain my views on the subject, and as to the action which we should take to impress our views upon the Turkish Government.

I have informed your Excellency by telegraph of the reply which I have returned to the Russian Ambassador.

I am, &c.
(Signed) EDWARD GREY.

[34381]

No. 84.

Foreign Office to Imperial Bank of Persia.

Sir,
I AM directed by Sir E. Grey to acknowledge the receipt of your letter of the 11th instant on the subject of the overdue promissory note of the Persian Government.

In reply, I am to state that Sir E. Grey regrets that he does not consider the case to be one in which His Majesty's Government could properly intervene.

I am, &c.
(Signed) E. GORST.

[35156]

No. 85.

Imperial Bank of Persia to Sir Edward Grey.—(Received October 18.)

Sir,
I HAVE the honour to acknowledge receipt of and thank you for your letter of the 16th instant.

I am requested to forward for your information translation of a telegram despatched to the Chief Manager of the Bank in Tehran in reference to the overdue promissory note for 7,070,000 krans of the Persian Government.

I have, &c.
(Signed) G. NEWELL.

Inclosure in No. 85.

Imperial Bank of Persia, London, to the Chief Manager of the Imperial Bank of Persia, Tehran.

(Translation.)
(Telegraphic.)
October 17, 1906.
OUR telegram of the 10th October. Did you inform Prime Minister? Protest for non-payment formally promissory note.

[35170]

No. 86.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 18.)

(No. 288.)
(Telegraphic.) P.
Tehran, October 18, 1906.

MR. GRANT DUFF'S despatch No. 220: Karun irrigation.
I have received a visit from the Dutch Minister, who again asked what view His Majesty's Government took of his scheme. Russia, he said, had signified that she would consent if England had no part in it. I explained that we were more interested in the matter than Russia, but that I had no instructions, and his Government should apply in London if they wished for information as to your views.

His Majesty's Government have stated that they will not press their own scheme pending the negotiations with Russia, but in view of the pecuniary straits in which the Persian Government find themselves, it seems possible that the latter may close with the Dutch offer. Any interference with their lands by the proposed Syndicate will be strongly resented by the Sheikh of Mohammerah and the Arabs.

With your consent I propose to repeat my remark to my Dutch colleague that his Government should ascertain your views through their Representative in London, and

to inform the Persian Government that His Majesty's Government presume that they will be consulted before any definite step is taken in the matter.

I believe a close connection exists between the Dutch bank which is interested in the scheme and the German bank which is promoting the Bagdad Railway, and which is opening a branch in Tehran.

[35172]

No. 87.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 18.)

(No. 289.)
(Telegraphic.) P.
TURCO-PERSIAN frontier.
My telegram No. 287 of the 16th instant.

Tehran, October 18, 1906.

In view of the recent Turkish aggression, the Minister for Foreign Affairs urgently appeals to His Majesty's Government for help. His Highness said that there was now no knowing when these encroachments would stop, and as the Persian Government had been advised by His Majesty's Government not to offer armed resistance, diplomatic intervention was the only course left open to them. I asked whether he could quote any instance of the expulsion of an armed Persian force or the removal of a Persian flag. He confessed that he could not, but the fact that land within 4 miles of Urmia was being leased by the Turks proved that the latter were ready to defy all law. He pointed out that Turkey is now appealing to international law in the case of Macedonia and Crete, and said that he thought Turkey's attention should be called to the flagrant breach of law of which she herself was guilty. He acknowledged that it would be a most serious matter to appeal to arms. No instructions have been received by the Turkish Ambassador.

Unless England and Russia can induce the Sultan to stop the advance of the Turkish troops I fear that Persia will apply for help in another quarter.

[35173]

No. 88.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 18.)

(No. 291.)
(Telegraphic.) P.
PERSIAN loan.

Tehran, October 18, 1906.

An urgent message has just reached me from the Grand Vizier. His Highness points out that salaries are unpaid and a money advance is greatly needed. On the understanding that the British and Russian Governments would shortly make a loan local merchants have advanced money, and delay in making it is causing great inconvenience and suffering.

I venture to suggest that we should bring strong pressure to bear in St. Petersburg to induce the Russian Government to allow an advance to be made immediately, repayable, say, in three or five years.

The only interpretation that can be placed on the conditions now proposed is that it is intended to force Persia to accept another loan on any terms before next spring.

If such a demand were generally known, or if it were enforced, the result, in the present state of public opinion, might well be the occurrence of troubles similar to those which the Régie brought about.

[34985]

No. 89.

Sir Edward Grey to Sir A. Nicolson.

(No. 409.)
(Telegraphic.) P.
Foreign Office, October 18, 1906.
JOINT loan to Persia: with reference to your telegram No. 268 of the 16th instant.

His Majesty's Government will agree to fix 7 per cent. as the rate of interest if the Russian Government refuse to make the advance at 5 per cent.

[1682]

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Point out to the latter that pressure can be put on the Persian Government, with a view to obtaining repayment, whenever it may seem expedient. For this reason His Majesty's Government consider it preferable that no date be fixed for repayment.

[35255]

No. 90.

India Office to Foreign Office.—(Received October 19.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Mr. Secretary Morley, forwards herewith, for the information of the Secretary of State, copy of a Secret letter from the Government of India, dated the 20th September last, and inclosures, relative to complaints of the Persian Government against the British Agent at Lingah.

India Office, October 17, 1906.

Inclosure 1 in No. 90.

Government of India to Mr. Morley.

Sir.

Simla, September 20, 1906.
ON the receipt of your Secret despatch, dated the 27th April, 1906, the Political Resident in the Persian Gulf was requested to submit any observations that might occur to him in regard to the complaints made by the Persian Government against Agha Badr, the native Agent of the Government of India at Lingah.

2. We now have the honour to forward a copy of his reply, from which it will be seen that in Major Cox's opinion the complaints against Agha Badr are due to the conscientious discharge of his duties as British Agent. We concur in this view, which, we observe from the despatch No. 151 addressed to the Foreign Office, is shared by His Majesty's Chargé d'Affaires at Tehran.

3. We accordingly do not propose to take any action in the matter.

We have, &c.

(Signed)

MINTO.

A. T. ARUNDEL.
DENZIL IBBETSON.
H. ERLE RICHARDS.
E. N. BAKER.
C. H. SCOTT.
C. L. TUPPER.

Inclosure 2 in No. 90.

*Captain Trevor to Government of India.**Bushire, July 1, 1906.*

I HAVE the honour to acknowledge the receipt of Foreign Department letter, dated the 19th June, 1906, with which is forwarded, for my information and for any observations I may desire to offer, certain correspondence received from the India Office regarding a complaint preferred by the Persian Government against the British Agent at Lingah.

2. In reply, I have the honour to invite a reference to this office letters, dated the 25th June and the 22nd July, 1905, respectively, and inclosures, which partially bear on the case, and to forward, for the further information of the Government of India, copies of the correspondence which has passed between His Majesty's Legation and this Residency.

3. So far as I can see, it is in reality Agha Badr who has just cause for complaint, and not the Persian Government. The real reason for the latter's complaint seems to be that the Persian officials find Agha Badr, a Persian subject, too vigilant and straightforward in the discharge of his duties as an employé of a foreign Government, a state of affairs which cannot be altogether pleasing to them.

Inclosure 3 in No. 90.

*Mr. E. Grant Duff to Major Cox.**Tehran, January 10, 1906.*

THE Mushir-ed-Dowleh has complained of Agha Badr, the British Agent at Lingah.

I do not attach much importance to complaints made by the Persian Government against British officials, but I should wish to be furnished with a Report regarding Agha Badr and to know whether there is any foundation for the Mushir-ed-Dowleh's repeated representations.

Inclosure 4 in No. 90.

*Major Cox to Mr. E. Grant Duff.**Bushire, February 13, 1906.*

I HAVE the honour to acknowledge the receipt of your despatch of the 10th January last, regarding the complaints made by the Mushir-ed-Dowleh against Agha Badr, the British Agent at Lingah.

Agha Badr is of Persian origin. His father, Haji Amin, was British Agent before him, and though Agha Badr was only appointed Agent on his father's death some four years ago, he had, as a matter of fact, been doing all the work of the Agency for ten or twelve years before, during his father's declining years. It will be seen, therefore, that he has had mature experience of the duties attached to his post.

My predecessors have, I believe, had a high opinion of him, and Colonel Kemball, on leaving Bushire, wrote him a letter expressing appreciation of his good work.

My own experience of him is that he is a thoroughly reliable and deserving Government servant, who looks after our interests and the interests of British subjects within his charge with resolution and vigilance.

The last occasion on which the Mushir-ed-Dowleh complained, his complaint was a specific one in connection with the Gordhandas case (*vide* Sir Arthur Hardinge's despatch No. 35 of the 20th June, 1905). To that I had the honour to reply at the time.

Your despatch under reply does not mention any specific ground of complaint, so that I can do no more than reply in general terms.

Short of the appointment of a British officer as our representative at Lingah, I do not think our interests could be better served than they are by Agha Badr, and I am inclined to believe that the complaints which the local officials apparently prefer to the Central Government against him are mainly due to the fact that they find our Agent a difficult man to circumvent.

Inclosure 5 in No. 90.

*Mr. E. Grant Duff to Major Cox.**Tehran, March 27, 1906.*

WITH reference to your despatch of the 13th February, I transmit to you herewith, for your information, a copy of the note which I have addressed to the Mushir-ed-Dowleh on the subject of the complaints of the Persian Government against the British Consular Agent at Lingah.

Inclosure 6 in No. 90.

*Mr. E. Grant Duff to Mushir-ed-Dowleh.**March 8, 1906.*

IN January last your Excellency stated that the Persian authorities at Lingah had complained of the conduct of Agha Badr, British Agent at that port.

Although your Excellency did not make any specific charge against our Agent, I promised to make inquiry into the matter.

His Majesty's Consul-General at Bushire reports that Agha Badr's father, Haji Amin, was British Agent before him, and that, although Agha Badr was only appointed Agent on his father's death, he had been transacting the business of the Agency for ten or twelve years.

The predecessors of Major Cox had a high opinion of Agha Badr, and Colonel Kemball, late Consul-General at Bushire, on leaving, wrote him a letter expressing appreciation of his good work.

His Majesty's present Consul-General at Bushire further states that his own experience is that Agha Badr is a thoroughly reliable and deserving Government servant, who looks after British interests within his charge with resolution and vigilance.

In the above circumstances, and in the absence of any proved misconduct on the part of Agha Badr, I regret my inability to take further steps in the matter.

[35681]

No. 91.

Memorandum communicated by Mirza Mehdi Khan, October 19, 1906.

ON the 23rd August last the Persian Chargé d'Affaires communicated to His Britannic Majesty's Foreign Office a telegram which he had received from the Sadre Azam in reference to the entry into Persian territory, at Malek Siah Kuh, of sixteen armed Indian soldiers who were escorting a caravan of thirty-eight camels and twelve camel-drivers, who forcibly took into Persia the camel loads, which all consisted of locked cases, without allowing them to be inspected by the Customs authorities, and without giving any intimation to the Imperial Persian Government.

On the 11th ultimo, the Chargé d'Affaires received a reply to this communication from Sir Edward Grey, stating that the camel loads contained thirty rifles which was required for the protection of His Britannic Majesty's Consulate at Seistan, in view of two attacks which, it was stated, had been made on the Consulate.

The Chargé d'Affaires communicated Sir Edward Grey's remarks to the Sadre Azam, and has now received a telegram from Prince Ala-os-Saltaneh, Minister for Foreign Affairs, which is as follows:—

“Your telegram in regard to the Seistan incident has been received. Say in reply to his Excellency Sir Edward Grey that the cause of the first attack on the Consulate was that the European quarantine inspectors had taken various steps contrary to religion; they had burnt Kurans and prayer books, and had examined women in a naked condition, and this caused agitation among the populace.”

Nevertheless, instructions have been given that apology may be offered for this incident. As regards the protection of the Consulate, the Imperial Government would have immediately supplied any number of guards that may have been considered needful, and would not have refused. Under these circumstances, it was not necessary that thirty-eight cases of arms should have been taken into Persia suddenly, without the permission of the Government and without letting them be examined by the Customs officials, thus leading others to ask us for similar things and causing trouble. Moreover, thirty-eight cases must have contained more than thirty rifles, and it cannot be conceived that so much arms had been necessary for a Consulate. In view of these facts and reasons, it is expected that His Britannic Majesty's Government should make reparation for this unlooked-for action. You will communicate this to his Excellency the Secretary of State for Foreign Affairs, and inform me of the result. As regards the second so-called attack, it cannot be called an attack; a few thieves had gone at night to commit theft, but they fled as soon as the servants of the Consulate woke up.

October 19, 1906.

[35277]

No. 92°.

Sir A. Nicolson to Sir Edward Grey.—(Received October 19.)

(No. 270.)

(Telegraphic.) P.

St. Petersburg, October 19, 1906.

PERSIA. See telegram No. 282 from Tehran.

I am informed by Russian Assistant Minister for Foreign Affairs, with regard to negotiations here, that Russian Minister at Tehran has said nothing on the subject of the publication of a statement as to their object. I informed him that it did not seem to me desirable, from a general point of view, to publish any statement respecting the negotiations, but I explained that I had received no communication as to your views on the subject. I said that at the present juncture, as we had informed the Shah's Government that nothing would be done whereby the independence and integrity of Persia would be affected, it seemed to me that the less that was said publicly on the subject of negotiations the better it would be.

To this he agreed, adding that we might allow the Persian Government to make public the assurances which they had received, if such was their wish.

[35264]

No. 92.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 19.)

(No. 292.)

(Telegraphic.) P.

Tehran, October 19, 1906.

HEALTH of His Majesty the Shah.

According to the council of doctors, there is a marked decrease in the dropsy, but the Shah is very nervous, sleeps badly, and thinks he is about to die.

His own doctor, on the other hand, maintains that the improvement is marked.

[35170]

No. 93.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 185.)

(Telegraphic.) P.

Foreign Office, October 19, 1906.

THE action which, in your telegram No. 288 of yesterday, you propose to take in the Karun irrigation question has the approval of His Majesty's Government.

[35172]

No. 94.

Sir Edward Grey to Sir A. Nicolson.

(No. 411.)

(Telegraphic.) P.

Foreign Office, October 19, 1906.

ANGLO-RUSSIAN intervention in the Turco-Persian frontier dispute (see telegram No. 289 of yesterday from Tehran).

Do the Russian Government accept the proposal made in my telegram No. 399 of the 11th instant?

If they do, instructions in accordance with that proposal will be sent to His Majesty's Representative at Constantinople.

[35371]

No. 95.

India Office to Foreign Office.—(Received October 20.)

My dear Maxwell,

India Office, October 19, 1906.

HEREWITH I send you short notes about the Tehran- and Seistan-Meshed telegraph lines. I hope they will answer your purpose.

Yours sincerely,
(Signed) COLIN G. CAMPBELL.

Inclosure in No. 95.

Tehran-Meshed Telegraph Line.

THE connection of the Indo-European Telegraph Department with this line arose in 1885 out of the necessity for rapid communication between the Government of India and their Commissioner for the delimitation of the Afghan frontier.

In the first instance, the Indian Government obtained the permission of the Persian Government to send a signaller to Meshed. The line had been up to that time a purely Persian line, constructed and worked by the Persian Government. It was soon found that the line was in such a bad state of repair that, unless something was done to it, it would be useless for the purposes of the Government of India. That Government, therefore, proposed to the Persian Government that the line should be repaired by the Indo-European Department at a cost of 20,000 rupees out of Indian revenues. Out of this arrangement grew the present arrangement, under which the Indian-European Department undertake to spend annually on repairs a sum not exceeding 20,000 rupees, the Persian Government contributing also 15,000 krans a-year towards the same object.

The line is a single-wire line, 568 miles in length, supported on wooden posts.

For the purposes of maintenance of the line and offices the Indo-European Telegraph Department employ an Assistant Superintendent to inspect and report, the work being carried out under his supervision. Line guards, paid by the Persian Government, are employed for the protection of the line.

Both at Tehran and at Meshed the offices of the Persian Telegraph Department, with its own instruments, and the Indo-European Telegraph Department, with its own instruments, are in one building; at Meshed the Russian telegraph office, with its own instruments, is also in the same building.

The Indo-European Telegraph Department employ a signaller for this line at Tehran, and another (recently two others) at Meshed to deal with messages between the Legation and the Consulate-General. At intermediate stations the signallers are Persians. Both at Tehran and at Meshed the wire terminates in the Indo-European Telegraph Department Office.

When the British signaller has finished his work, he gives the wire to the Persian office by means of an instrument called the commutator. It is not known whether at Tehran the Russian signaller goes to the Persian office to work with Meshed, or whether by means of a commutator the wire is given to a Russian office. At Meshed the Persian office gives the wire to the Russian office by the commutator. They each have stated times for working with Tehran.

Meshed-Seistan Telegraph Line.

In May 1901 we first heard that the Persian Government were contemplating extending their telegraph system from Meshed to Birjand, and that the local Karguzar was pressing for an extension to Seistan. In September 1901 we heard that the Persian Government had sanctioned a grant of 70,000 tomans for a line from Meshed to Seistan. The line was inaugurated in April 1902, the Russian Consul-General taking a prominent part in the proceedings. He told Colonel Trench that he hoped to arrange a junction between the Russian and Persian systems, so as to have a continuous line from Askhabad to Seistan. The line was constructed by a Russian engineer.

It was completed to Nasratabad on the 21st December, 1903, but in the previous July, when it had only reached Neh, it was reported that the Russians had announced their intention to post military signallers along the line under the orders of an officer whose head-quarters should be in Seistan. One of these signallers had already been sent to Birjand in May 1903.

In October 1903 another Russian signaller was posted at Shusp. In July two more arrived, one to be posted at Meshed, the other at Birjand. By October 1904 five more signallers arrived at Meshed, destined for Birjand (two), Kain, Sarbeshir, and Bandan.

The Persian Government at first made a show of resistance to the admission of these signallers to their offices; but finally, on the eve of the Shah's departure for Europe, he agreed to their "provisional" admission. The Persian Government were compelled to admit our theoretical right to similar treatment, and signallers were sent from India to be posted at Nasratabad (Seistan), Birjand, and Turbat, though the Persians in practice for a long time resisted their admission.

Nothing is accurately known of the exact status of the Russians on the line; but, besides their signallers, they are believed to have two Russian inspectors and six mechanics. The inspectors control the line guards and are in charge of repairs, &c. They are believed to be paid partly by Russia and partly by Persia, and it is believed that Russia has, at least in part, paid for repairs.

The line is a single-wire line, about 520 miles in length, supported on wooden poles.

At Meshed the Seistan wire, until recently, terminated in the Persian office; and at stated times the Persian signallers, by means of the commutator, gave the wire to the British and Russian offices respectively.

It may be that what has happened recently is that the wire has been taken to a commutator in the Russian office, enabling them to give it to the Persian or British offices at their discretion.

[35417]

No. 98.[°]*Sir A. Nicolson to Sir Edward Grey.—(Received October 21.)*

(No. 275.)

(Telegraphic.) P.

PERSIAN advance.

Referring to my telegram No. 269 of the 19th October.

I have to-day received a Memorandum from the Assistant Minister for Foreign Affairs notifying the acceptance by the Russian Government of a rate of interest of 7 per cent. The Memorandum, the terms of which will, I trust, be considered satisfactory, proposes that the Persian Government should be informed that, while no fixed date of repayment is settled upon, the British and Russian Governments reserve to themselves the right of notifying to the Persian Government the date for the repayment of the advance, three or four months' notice being given. It adds that the rate of interest of future loans should not be prejudiced by above-mentioned rate.

St. Petersburg, October 21, 1906.

[35499]

No. 96.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 20.)

(No. 294.)

(Telegraphic.) P.

Tehran, October 20, 1906.

THE following communications have reached me from reliable sources:—

(A.)

"M. Naus last spring proposed that a large Belgian loan, guaranteed by Russia, should be raised, the commercial advantages to fall to Belgium and the political to Russia. The Grand Vizier took alarm, and the scheme was shelved.

"The financial position at present is as follows: There is urgent need of a loan of 12 million tomans: 2½ for current deficit, 7½ to redeem floating debt, and 2 for expenses of the reorganization of the taxation system.

"Either this money must be obtained or Persia must go bankrupt.

"The following are schemes by which the necessary amount might be obtained:—

"1. The scheme suggested by M. Naus, to which Germany might perhaps give financial assistance.

"2. A joint Anglo-Russian loan with very severe conditions as to the immediate institution of reforms and control of expenditure.

"The first is practically equivalent to the sale, under Belgian auspices, of Persia to Russia.

"M. Naus has rendered no accounts of the Customs Administration for two years. He is anxious to be himself intrusted with the reorganization of the finances of Persia, and is in constant communication with the Russian Legation.

"In insisting on the repayment of the temporary advance, Russia's object is to force Persia to accept a bigger loan, and thus to revert to the original scheme. A joint Anglo-Russian loan is the only means by which this can be averted.

"The Mullahs can be bribed into acquiescence by the parties issuing the loan."

(B.)

"You are deceived if you imagine that Russia will not make a loan without you or that she has refused to do so."

[35410]

No. 97.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 20.)

(No. 296.)

(Telegraphic.) P.

Tehran, October 20, 1906.

TURCO-PERSIAN frontier.

According to information which has reached the Persian Government, the Turks are now within 2 miles of Urmi, and have advanced close to Soujboulak. They are further, said to be collecting taxes.

Persian Government are sending troops to the places named, and a special officer to take charge of the frontier.

[35416]

No. 98.

Sir A. Nicolson to Sir Edward Grey.—(Received October 21.)

(No. 274.)

(Telegraphic.) P.

St. Petersburg, October 21, 1906.

TURCO-PERSIAN frontier.

My telegram No. 272 of yesterday.

It appears that the Memorandum of the 12th October was sent to Russian Ambassador at Constantinople for his observations, and not as an instruction. M. Goubastoff explained that it was due to this that a confusion in his mind had arisen at my interview with him last Friday. He says that the report from M. Linoview should arrive to-morrow, when he hopes to be able to give me a reply.

[35411]

No. 99.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 21.)

(No. 297.)

(Telegraphic.) P.

MESHED-SEISTAN line.

My telegram No. 281 of the 12th October.

I have not yet received the report of the Director of the Indo-European telegraphic Department.

His Majesty's Consul-General at Meshed meanwhile submits the following objections:—

1. The posts on both lines are of wood, and are not equal to bearing the weight of another wire.

2. The Tehran line is well looked after, and on it the plan might work, but it would be impossible on the Seistan line.

3. Difficulties would inevitably arise with regard to maintenance, for unless the responsibility for everything were equally shared, we should only be at liberty to touch our own wire on the Meshed-Seistan line. Consul-General suggests that a costly alternative might possibly be found in the construction of a new line of wooden posts for the British wire, or of metal posts for the two wires.

4. Government of India pays almost all the cost of maintenance of the Tehran line, while on the Seistan line the Russians pay little or nothing. Burden of expense would thus be unequally distributed.

5. Persian traffic on the Seistan line will still be under Russian control, and the political importance of our position in North Persia will be far less valuable to us than the similar position on the Afghan frontier to the Russians.

6. If the Kuh-i-Malik-Siah extension were constructed our position would be improved, but it would still be inferior to that of the Russians.

[35682]

No. 100.

Memorandum communicated by Mirza Mehdi Khan, October 22, 1906.

THE Persian Chargé d'Affaires has received a communication from the Sadre Azam in regard to the actions of Mr. Graham, His Britannic Majesty's Consul in Shiraz. The Consul openly gives protection and refuge to persons who have committed theft and other crimes, and when asked to send them to be tried he writes officially stating that a written guarantee must be given by the Governor-General to the effect that the criminals will in no way be interfered with, and that they will be sent back to the Consulate on the same day, whether guilty or not guilty, and that, moreover, a representative of the Consulate must be present at their trial; and if after trial it be proved to the Governor-General and to the representative of the Consulate that the individual is guilty of anything important, then the Consul would ask, by telegram, for instructions as to what to do from the Legation in Tehran. The Sadre Azam has forwarded to the Persian Chargé d'Affaires copies of notes from Mr. Graham to the above effect.

In one case an individual called Hadji Abbas Khan, who is a notorious criminal of Shiraz, had committed various disorderly and incriminating acts. As soon as the Prefect of the town and police officials went to arrest him he took refuge at the British Consulate, and the Consul has refused to give him up except on conditions mentioned above.

In another case two individuals called Suroor and Saadat had robbed a man of his property. On being pursued they both took refuge at the British Consulate. Although repeatedly asked to hand these men over to the Government, the Consul has refused to do so. He is keeping both of them at the Consulate, and one of them is employed in his service as groom.

The Sadre Azam remarks that all these acts are irregular, not lying within the duties and the rights of foreign officials and Consuls in Persia. The Chargé d'Affaires is instructed to draw the attention of His Britannic Majesty's Secretary of State for Foreign Affairs to these acts of the Consul, and to request that he may be asked to desist from acting in this manner. The Sadre Azam feels sure that His Britannic

Tehran, October 21, 1906.

Majesty's Government would not wish that the friendly and the cordial relations which have existed from ancient times between the two Governments should in any way be impaired by the actions of the Consul, who directly interferes with the internal affairs of the country. The same care and solicitude which is exercised by the Persian officials in the maintenance and the furtherance of these relations is naturally expected from the officials of His Britannic Majesty's Government. It is very regrettable that Mr. Graham does not in any way take these facts into consideration, and always gives rise to some difficulty.

October 19, 1906.

[35693]

No. 100.^o

Sir A. Nicolson to Sir Edward Grey.—(Received October 22.)

(No. 276.)

(Telegraphic.) P.

YOUR telegram No. 399.

Turco-Persian boundary dispute.

Russian Ambassador at Constantinople has been informed of suggestion which Imperial Government are willing to propose to Turkish Government; it is in same form as proposed in your above-mentioned telegram.

M. Zinovieff is to arrange details, acting in concert with British Chargé d'Affaires.

St. Petersburg, October 22, 1906.

[35694]

No. 101.

Mr. G. Barclay to Sir Edward Grey.—(Received October 22.)

(No. 200.)

(Telegraphic.) P.

Constantinople, October 22, 1906.

FRONTIER between Persia and Turkey.

The following is very confidential:—

I am informed by the Persian Ambassador that on the 20th instant he telegraphed, on the suggestion of the German Ambassador, to Tehran that the Sublime Porte expected a counter-proposal to be made by the Persian Government. Yesterday, at the request of the Porte, his Excellency sent a further telegram to his Government urging that the withdrawal of the Persian Commissioner should be postponed.

His Excellency enquired anxiously whether I had received any instructions and the impression I gathered from our conversation was that he was not very hopeful as to the results of continued negotiations.

[35277]

No. 102.

Sir Edward Grey to Sir A. Nicolson.

(No. 412.)

(Telegraphic.) P.

Foreign Office, October 22, 1906.

UNDERSTANDING respecting Persia between Russia and Great Britain: with reference to your telegram No. 270 of the 19th instant.

I shall be obliged, in Parliament, to refer to the integrity of Persia as one object of the Anglo-Russian advance. Questions are sure to be asked, so much having appeared in the press.

Nevertheless I approve your language to the Assistant Minister for Foreign Affairs.

[35417]

No. 103.

Sir Edward Grey to Sir A. Nicolson.

(No. 415.)

(Telegraphic.) P.

Foreign Office, October 22, 1906.

JOINT Anglo-Russian advance to Persia.

His Majesty's Government will authorize His Majesty's Minister at Tehran to make the advance as soon as his Russian colleague and he are satisfied that the Persian Government will apply the money to the objects for which the Russian and British Governments are lending it, and as soon as his colleague receives similar instructions, the terms mentioned in your telegram No. 275 of yesterday being satisfactory.

[35417]

No. 104.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 190.)

(Telegraphic.) P.

Foreign Office, October 22, 1906.

ANGLO-RUSSIAN advance to Persia (see telegram No. 275 from St. Petersburg of yesterday).

As soon as your Russian colleague and you are satisfied that the Persian Government will apply the money to the purposes for which it is lent, and he receives similar instructions, you may advance it.

[35783]

No. 105.

Mr. G. Barclay to Sir Edward Grey.—(Received October 23.)

(No. 201.)

(Telegraphic.) P.

Constantinople, October 23, 1906.

TURCO-PERSIAN frontier.

I was told yesterday by the Grand Vizier, with whom the Persian Ambassador had just had an interview, that the account given by the Persians of what had happened in the neighbourhood of Urmia, as reported in Sir C. Spring-Rice's telegram No. 296, was without foundation.

[35804]

No. 106.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 23.)

(No. 298.)

(Telegraphic.) P.

Tehran, October 23, 1906.

TURCO-PERSIAN frontier.

Our previous experience in 1865 and recent events in Seistan have shown that, if the proposed Commission is appointed to settle the present difficulty, the Persian Government may refuse to accept its decision, if one is arrived at. I, therefore, venture to suggest that, while offering our good offices, a course which is very desirable for the maintenance of our influence in Persia, we should be careful to limit our responsibility in the event of a refusal to accept the Award.

I might point out verbally, if you approve, that our experience in Seistan has not been forgotten.

[35805]

No. 107.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 23.)

(No. 299.)

(Telegraphic.) P.

Tehran, October 23, 1906.

HEALTH of His Majesty the Shah.

Yesterday there was a long consultation of the doctors, who gave a favourable verdict on the Shah's health, which has considerably improved. To-day His Majesty moves out to the country.

[35806]

No. 108.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 23.)

(No. 300.)

(Telegraphic.) P.

Tehran, October 23, 1906.

ANGLO-RUSSIAN understanding.

Your telegram No. 187 and St. Petersburg telegram No. 270.

I had a translation made of your despatch No. 144 and showed it to the Ala-es-Saltaneh, who said he would communicate it at once to the Shah, who has received

assurances from the Russian Legation that the principle of Persian integrity was being defended by Russia against proposals of His Majesty's Government. Our proposal for a "sphere of interest" is probably at the bottom of this.

The Shah is surrounded by anti-English courtiers, and the best corrective is a frank and open statement.

[35807]

No. 109.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 23.)

(No. 301.)

(Telegraphic.) P.

Tehran, October 23, 1906.

TURCO-PERSIAN frontier.

I have only just received your telegram No. 399 to Sir A. Nicolson of the 11th October.

I am informed by my Russian colleague that the Russian Government understands you to propose that the frontier be drawn at the River Lahan. He was accordingly instructed to sound the Persian Government, and they have replied that the acceptance of this frontier would entail the surrender of territory until recently actually occupied by Persia; that the Shah is, therefore, violently opposed to it, but that, if the two Governments insist, Persia must of course yield.

With the knowledge of my Russian colleague, I am explaining in writing to the Grand Vizier that nothing is yet settled, but that the two Governments are considering a proposal for a settlement.

In the opinion of the Russian Minister, we should obtain a formal authorization from the Persian Government before making to the Turkish Government any suggestion for a settlement. If we act without such an authorization we shall incur all the odium, and, in his opinion, it would be unwise to do so.

[35693]

No. 110.

Sir Edward Grey to Mr. G. Barclay.

(No. 177.)

(Telegraphic.) P.

Foreign Office, October 23, 1906.

TURCO-PERSIAN frontier dispute.

Concert details of proposal to the Porte with your Russian colleague (see telegram No. 276 of yesterday from St. Petersburg).

[35808]

No. 111.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 24.)

(No. 302.)

(Telegraphic.) P.

Tehran, October 23, 1906.

PERSIAN loan.

Russian Minister is still in the country, where I have called upon him.

He told me that no instructions in the sense of Sir A. Nicolson's telegram No. 275 had reached him.

He communicated to me for the first time the sense of a draft contract which he had telegraphed to St. Petersburg some time ago, but on which his Government had not yet given their views.

The draft takes the form of a contract between the Persian Government and the Russian Bank, to be countersigned by the Russian Legation. It first recites the conditions of payment and rate of interest, and then states that the revenues already affected to previous loans shall be the guarantee for the present advance.

After consultation with my Russian colleague, I propose to accept this draft with the modification "except Caspian fisheries," and to address a note to the Persian Government maintaining our interpretation of the expression "Gulf ports."

I venture to suggest that, in order to save time, the exact form of contract accepted by the Russian Government should be communicated by them to His Majesty's Government.

[35809]

No. 112.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 24.)

(No. 303.)

(Telegraphic.) P.
PERSIAN loan.

It is possible that, although no instructions have been received by the Russian Minister, they may have been sent, as on former occasions, direct to the Russian Bank Manager. I have asked the Manager of the Imperial Bank of Persia to ascertain what instructions his Russian colleague has received.

I presume that if the Russian Bank makes a separate contract with the Persian Government our Bank must do the same, and I have asked Mr. Rabino to draft a contract on the lines agreed upon, which I will telegraph to His Majesty's Government for their decision.

Ramazan has begun, the soldiers are unpaid, and money is urgently needed.

35894]

No. 113.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 24.)

(No. 304.)

(Telegraphic.) P.
PERSIAN loan.

My telegram No. 303.

Mr. Rabino tells me that, beyond the order to be ready to furnish the money, no orders whatever have been received by the Manager of the Russian Bank, who has, however, promised to inform him as soon as instructions reach him.

[35916]

No. 114.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 24.)

(No. 305.)

(Telegraphic.) P.
PERSIAN loan.

Your telegram No. 181 and telegram of the 20th October from the Government of India.

Following is the text of the note which I propose to send in to the Persian Government:—

"I am instructed by His Majesty's Principal Secretary of State for Foreign Affairs to inform your Highness that, in the matter of the clause in the contract for the present loan, His Majesty's Government hold to the interpretation already laid down in the note of the 30th August, 1904, from this Legation."

Russian Minister has been told that I am sending this note, but if the Russian Government were also informed it would of course be an additional security.

The Sadr Azam is with the Shah in the country, and I have not been able to see him. I will try to get the Persian Government to take action. They will probably refuse to do so; but in any case the terms of the note of the 30th August, 1904, make an answer unnecessary.

35904]

No. 115.

Sir A. Nicolson to Sir Edward Grey.—(Received October 24.)

(No. 278.)

(Telegraphic.) P.

RUSSIAN Minister at Tehran has been sent instructions as desired in regard to advance to Persian Government.

[35806]

No. 116.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 192.)

(Telegraphic.) P.

Foreign Office, October 24, 1906.

ANGLO-RUSSIAN understanding in regard to Persia.

Is the statement of the Minister for Foreign Affairs (reported in your telegram No. 300 of yesterday), as to the language held by the Russian Legation in regard to the maintenance of the integrity of Persia, corroborated by any evidence in your possession?

[36096]

No. 117.

Sir Edward Grey to Sir C. MacDonald.

(No. 185 A.)

Sir,

Foreign Office, October 24, 1906.

I TOLD the Japanese Ambassador to-day that we had agreed with Russia to lend a sum of 400,000*l.* jointly to enable Persia to tide over her present financial crisis.

We had not come to any general settlement about Persia. It might take a long time to arrive at that. But the object of this joint loan was to keep the discussion open between us, and to enable Persia to carry on meanwhile.

The Ambassador remarked that the loan was a much smaller one than some previous loans to Persia in which Russia had indulged.

I replied that this was so, no doubt because there had been no understanding between Russia and us, there had been a temptation in the past for one country to lend unduly large sums to Persia, in order to secure an advantage in Persia over the other country. But when we made a loan jointly there could be no question of outbidding each other, and there was every reason for keeping the loan to the smallest amount required by the necessities of the case. Further, the joint loan was a proof that, though we might still be a long way from arriving at a general settlement between ourselves as to Persia, when difficulties arose in that country we already discussed them together.

I explained again that if a general settlement was reached it would be in the nature of an agreement that each should abstain from interference in the portion of Persia which bordered on the frontier of the other. We were not thinking of dividing Persia or interfering with its integrity.

I am, &c.
(Signed) EDWARD GREY.

[35979]

No. 118.

India Office to Foreign Office.—(Received October 25.)

Sir,

India Office, October 24, 1906.

WITH reference to the letter from the Foreign Office of the 11th instant, forwarding for observations Mr. Grant Duff's despatch, transmitting Captain Gough's Report on a visit to Pusht-i-Kuh, I am directed by Mr. Secretary Morley to say that he remains of the opinion stated in my letter of the 2nd May last, that it is not desirable at the present time to enter into political relations with the Vali of Pusht-i-Kuh.

I am to add that Mr. Grant Duff appears to assume that Captain Gough undertook to submit the Vali's request for the decision of the Government of India. A reference to the Report shows that Captain Gough stated that he "would report the matter to Government," which must presumably be taken to mean His Majesty's Government.

I am, &c.
(Signed) A. GODLEY.

[35960]

No. 119.

The Imperial Bank of Persia to Foreign Office.—(Received October 25.)

Sir,

25, Abchurch Lane, London, October 24, 1906.

WE have the honour to forward translation of a telegram received from the Chief Manager of the Bank in Tehran regarding the advances to the Persian Government, and to inquire whether we shall authorize the Chief Manager to sign, seeing that the conditions as to interest are not identical with the communication contained in your letter of the 28th September last. An early reply is respectfully solicited.

I have, &c.

(Signed) G. NEWELL,
Manager.

Inclosure in No. 119.

Imperial Bank of Persia, Tehran, to Imperial Bank of Persia, London.(Translation.)
(Telegraphic.)

Tehran, October 24, 1906.

JOINT advance will be made in two identical Agreements in the name of respective banks containing the clause advance not to be applied to claim either bank, 7 per cent interest; capital claimable three months' notice; telegraph authority sign.

[36015]

No. 120.

Mr. G. Barclay to Sir Edward Grey.—(Received October 25.)

(No. 202.)

(Telegraphic.) P.

Constantinople, October 25, 1906.

FRONTIER between Persia and Turkey.

With reference to paragraph 2 of your telegram No. 399 to His Majesty's Ambassador at St. Petersburg, the Russian Ambassador here feels that he would not be authorized to include anything which may tend to commit us to the River Lahan as the frontier in the communication which is to be made to the Grand Vizier.

I do not feel authorized to consent to this, as the Mission would change the character of our representations. Personally, however, for the reasons given in the next paragraph, I should like to omit that part of the communication.

Can it properly be said of the River Lahan, with absolute certainty, that its position appears to be in the centre of the frontier zone between the two countries?

I believe, from words let fall by the Grand Vizier, that the upper part of the River Lahan is identical with the Leuven, which is shown on the map made by Colonel Maunsell to flow close to Passova. The Anglo-Russian map is not clear as regards the identity of the upper part of the Lahan River.

The Russian Ambassador, to whom I have shown the maps, is referring the matter to his Government.

[36002]

No. 121.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 25.)

(No. 306.)

(Telegraphic.) P.

Tehran, October 25, 1906.

PERSIAN loan.

My telegram No. 305.

From a conversation which I had to-day with my Russian colleague, I gather that the Russian Government regard our claim on Mohammerah as useful, in that it will prevent the Persian Government from ceding it to Germany, and that they have no objection whatever to it.

(Secret.)

On the other hand, they insist that ports east of the entrance of the Gulf should be excluded. The view that they aim at Charbar is thus confirmed.

[36032]

No. 121^e.*Sir C. Spring-Rice to Sir Edward Grey.—(Received October 26.)*

(No. 307.)

(Telegraphic.) R.

Tehran, October 25, 1906.

FOLLOWING is the text of Loan Convention proposed by the Russian Government between the Persian Government and the Bank :—

In view of understanding between Russian and English Governments, in virtue of which it has been decided that an advance of 10,000,000 fr. shall be made to Persian Government, of which 5,000,000 fr. shall be paid at once, the two Governments each [group omitted ? paying] a half, and the 5 latter millions in the same way according to an agreement to be made later, the following is agreed on :—

Art. 1. The Government puts at the disposal of the Persian Government a sum of 2,500,000 fr., which shall be paid by the Minister each time that the latter shall receive an application from the Persian Treasury, which shall furnish at the same time the justification for employment of sums.

Art. 2. The sums above mentioned shall not be affected to paying the arrears due to the Bank.

Art. 3. [Russian] advance is guaranteed by revenues of the customs already affected to the guarantee of the two loans concluded in 1900 and 1902 between the Persian Government and the Russian Bank [English] by the revenues of the administrations of Posts and Telegraphs, and, in case of insufficiency, the revenues of the customs of Fars and the Persian Gulf.

Art. 4. The rate of interest is fixed at 7 per cent.

Art. 5. Russian and British Governments reserve to themselves right to give Persian Government four months' notice of the date on which Persian Government will be called on to repay to the Russian Bank and the Imperial Bank of Persia the sums advanced, together with interest.

[36003]

No. 122.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 25.)

(No. 308.)

(Telegraphic.) P.

PERSO-Turkish frontier.

Mr. Barclay's telegram No. 202.

A paraphrase of Foreign Office telegram No. 399 to Sir A. Nicolson has been communicated to the Persian Government and to the Russian Minister. I explained it in the sense that we have only suggested a mode of settlement, and not laid down any particular line of frontier.

[36004]

No. 123.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 25.)

(No. 309.)

(Telegraphic.) P.

ANGLO-RUSSIAN relations.

St. Petersburg telegram No. 270.

The only thing that is certain is that the Shah's mind has been influenced in favour of Russia. He apparently distrusts Russia less than us.

The language actually used may have been quite innocent, and I have no evidence as to what it was. The proposal alluded to had not yet been made when the Russian Minister was last received by the Shah.

[36005]

No. 124

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 25.)

(No. 310.)

(Telegraphic.) P.

PERSIAN loan.

My telegram No. 307.

Customs will be the real guarantee, for the telegraph revenue is already exhausted by the interest on the first loan.

[35916]

No. 125.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 193.)

(Telegraphic.) P.

JOINT advance to Persia.

Foreign Office, October 25, 1906.

I approve the text, given in your telegram No. 305 of yesterday, of the proposed note to the Persian Government.

The Russian Minister for Foreign Affairs having already made a statement, which we consider to be sufficient for the purpose, as to the southern customs being our security, we consider that it is unnecessary to inform the Russian Government of the interpretation which we place on the guarantees for our previous Persian loans.

[35960]

No. 126.

Foreign Office to Imperial Bank of Persia.

Sir,

Foreign Office, October 25, 1906.

I AM directed by Secretary Sir E. Grey to acknowledge the receipt of your letter of the 24th instant, respecting the joint Anglo-Russian advance to Persia.

I am to inform you in reply that the conditions as to interest, as stated in your letter, are correct, and that Sir E. Grey will be glad if you will now authorize your Tehran manager to sign the loan contract.

I am, &c.
(Signed) E. GORST.

[36068] No. 127.

India Office to Foreign Office.—(Received October 26.)

Sir,
India Office, October 25, 1906.
I AM directed by Mr. Secretary Morley to acknowledge receipt of your letter of the 15th instant, inclosing copy of Sir A. Nicolson's despatch No. 650 of the 10th instant, which transmits a copy of a Memorandum communicated to him by the Russian Minister for Foreign Affairs, conveying a proposal by the Russian Government for the solution of the difficulty which has arisen respecting the Meshed-Seistan telegraph line.

M. Isvolsky states that the connection of the wire at each terminus with the Russian instruments is no more than the natural complement to the previous history of the line, and cannot be regarded as an infraction of the *status quo*.

With regard to this, Mr. Morley would observe that the proceeding described by M. Isvolsky has undoubtedly the effect of transferring the control of the telegraph line from Persian into Russian hands; that this step was taken at a time when negotiations were proceeding at St. Petersburg, including a proposal by His Majesty's Government that Russia should recognize a line from Birjand to Bunder Abbas, to the eastward of which the Persian Government should be invited to grant no concession for roads, railways, or telegraphs to any Power other than Great Britain, and that the telegraph line, the control of which Russia secures by this arrangement, traverses the northern section of the tract which it is proposed to reserve to Great Britain.

The compromise that M. Isvolsky proposes, namely, that the British Government should have a separate wire of its own on the Meshed-Seistan line, and the Russian Government similarly a separate wire on the Meshed-Tehran line, does not appear to meet the political objections. From the technical point of view, Mr. Morley sees no advantage in this proposal, which would involve both countries in an expenditure on reconstruction of the lines which would not be justified by the traffic, while it would in no way meet the political objections stated by the Government of India in their telegram of the 3rd ultimo, and its acceptance would imply acquiescence by His Majesty's Government in a state of things wholly incompatible with the objects which caused them to propose to the Russian Government the Birjand-Bunder Abbas line as the boundary to the east of which concessions of the nature above referred to should be made only to Great Britain.

I am, &c.
(Signed) A. GODLEY.

[36072] No. 128.

Mr. G. Barclay to Sir Edward Grey.—(Received October 26.)

(No. 203.)
(Telegraphic.) P.
Constantinople, October 26, 1906.
I NOW find that the map of the disputed zone on which I based my telegram No. 202 of the 25th instant was on a reduced scale. From the larger map I see that the name Lavene is given to the western stream. The Grand Vizier, however, described to me the river claimed by the Turks as the frontier as a stream which flows within a distance of 3 or 4 kilom. of Passova. It is clear that this is the river marked on Colonel Maunsell's map as the Leuven.

I find that the Persian Ambassador has no precise knowledge of the course followed by the river which is claimed as the frontier by the Turks.

[36080]

No. 129.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 26.)

(No. 311.)
(Telegraphic.) P.
Tehran, October 26, 1906.
PERSIAN loan. Your telegram No. 193 of yesterday. As instructed in your telegram No. 169, I proposed in writing the term "Southern Customs." It would seem that the Russian Minister has been instructed to object to this. Your telegram No. 181, however, admits *status quo* for present loan.

The Russian Minister is unable to obtain any indication of his Government's intentions with regard to the future loan which the Persians declare to be necessary. I venture, however, to suggest that Russia should be made to show her hand with regard to ports east of the Gulf before the question of a large joint loan is given serious consideration.

I am at one with the Russian Minister in thinking that there would be danger in internal control, and the only trustworthy guarantee is the Customs. Russia, as the matter stands at present, considers that those ports furnish part of the guarantee on her loan.

[36081]

No. 130.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 26.)

(No. 312.)
(Telegraphic.) P.
Tehran, October 26, 1906.
THE Shah has returned from the country, and the doctors' report on his condition is decidedly worse.

I have made arrangements with my Russian colleague that, in case of the Shah's death, our respective Consuls at Tabreez should act strictly in accordance with precedent, should call together on the Valiahd, and accompany him to the capital.

[36015]

No. 131.

Sir Edward Grey to Mr. G. Barclay.

(No. 178.)
(Telegraphic.) P.
Foreign Office, October 26, 1906.
TURCO-PERSIAN frontier dispute.

There appears to be some uncertainty as to the position of the river which the Turkish Government suggest as the boundary (see your telegrams Nos. 202 and 203 of yesterday).

It would, therefore, be advisable that, in speaking to the Grand Vizier, you should not refer to the proposal.

[36002]

No. 132.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 194.)
(Telegraphic.) P.
Foreign Office, October 26, 1906.
JOINT advance to Persia. With reference to your telegram No. 306 of yesterday. We hold to the same interpretation of the guarantee for this loan as before. After M. Isvolsky's statements we cannot take M. Hartwig's opinion into account. You had better not reopen this question with him, as it would be best not to discuss with him the ultimate settlement with regard to Persia.

[36032]

No. 133.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 195.)

(Telegraphic.) P.

JOINT advance.

With reference to the first Article of the Convention, the text of which is submitted in your telegram No. 307 of yesterday, you and your Russian colleague should each obtain the concurrence of the other before making any payment to the Persian Government. You should arrange this with him.

I approve the proposed text.

[36236]

No. 134.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 27.)

(No. 314.)

(Telegraphic.) P.

PERSIAN loan.

Terms of the contract are accepted by the Persian Government, but they ask that after the word "right" in Article 5 we should insert the words "after a delay of one year."

They ask, too, that the second instalment be granted without undue delay.

I have agreed with my Russian colleague that the mutual consent of the two Legations must be obtained for all payments.

[36237]

No. 135.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 27.)

(No. 315.)

(Telegraphic.) P.

VALIAHD'S finances. Your telegram No. 83.

Valiahd has applied for money.

My Russian colleague agrees that no money should be advanced until the order is given by the two Legations to hand it over at Tehran and Tabreez.

Should concluding paragraph of your telegram be communicated to Imperial Bank of Persia here, or will the central offices in London be informed?

[36238]

No. 136.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 27.)

(No. 316.)

(Telegraphic.) P.

PERSIAN loan.

Your telegram No. 194 of yesterday.

The ultimate settlement of the Persian question has not formed the subject of discussion between the Russian Minister and myself, but I consider it my duty to point out that, from various indications, I am convinced that the Minister for Foreign Affairs has not informed my Russian colleague of his promise, and that the latter has instructions to maintain that the guarantee for the Russian loan includes the customs revenues of ports lying outside the Persian Gulf.

[36239]

No. 137.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 27.)

(No. 317.)

(Telegraphic.) P.

FOLLOWING sent to Government of India:

Tehran, October 27, 1906.

"Karun irrigation.

"Your telegram of the 26th October to Secretary of State for India.

"I have since been told by the Russian Minister that what he said to his Dutch colleague was that his Government would have no objection to an international and non-political Company. The Russian Government, I gather, would have strong objections to a Dutch-German group financed by the German Bank.

"All knowledge of any intention to give the concession to the Dutch Syndicate is denied by the Minister for Foreign Affairs."

[36245]

No. 138.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 29.)

(No. 246. Confidential.)

Sir,

Tehran, September 26, 1906.

I HAVE the honour to inclose an interesting Memorandum by Lieutenant-Colonel Douglas, Military Attaché at this Legation, regarding the present unsatisfactory condition of the Cossack Brigade.

You will observe that Colonel Douglas considers that the new Russian Commandant, who has recently arrived in Tehran, is taking over the brigade in an extremely inefficient and almost insubordinate condition. I may add that recently, when the refusal of the Shah to sign the Regulations for the Assembly brought about an acute crisis, I asked the Grand Vizier's eldest son, Mushir-ul-Mulk (Persian Minister in St. Petersburg), whether the Government could rely on the Cossacks in case of trouble. He replied that he believed they would side with the popular party.

As the Cossack Brigade is considered the pick of the Persian army and the only protection to Europeans in case of anti-foreign agitation, Colonel Douglas' report appears to me to be significant.

I have, &c.

(Signed) EVELYN GRANT DUFF.

Inclosure in No. 138.

Lieutenant-Colonel Douglas to Mr. E. Grant Duff.

(No. 53.)

Sir,

Gulahek, September 20, 1906.

RUMOURS have recently been current that the Persian officers of the Cossack Brigade are very discontented with the manner in which the affairs of the brigade are managed, and have been endeavouring to limit the hitherto supreme powers of the Russian Commandant in all matters connected with expenditure, promotion, &c. I have consequently made inquiries with a view to discovering what has really passed, and, though the information from different sources is frequently conflicting, the facts appear to be somewhat as follows:

One of the Persian officers had recently occasion to complain to the Russian Commandant regarding his promotion, but Colonel Chernozouboff refused to listen to him and treated him in a manner which he considered insulting. The matter was then taken up by the whole body of Persian officers, who came to their Commandant and demanded that a Committee should be appointed from among themselves, which should have control of the money allotted for the maintenance of the brigade, and should also regulate all questions of promotion, a matter in which they declared that undue favouritism is shown. I am unable to say what actually took place at this interview and whether personal violence was offered to Colonel Chernozouboff or no,

but it is said to have ended in the hasty retreat of that officer to a room in his house where he shut himself up, and whence apparently he was unable to emerge until he had sanctioned the institution of the Committee. This body has, I am told, since been investigating the accounts, and accuse their Commandant of keeping the brigade 500 men below its proper strength and systematically embezzling their pay.

It seems at least certain that the desire for self-government which is now prevalent in this country has spread to the brigade, who are determined to have some say in the management of their affairs, and should they succeed in maintaining this attitude, the power of the Russian officers must become so curtailed that they will cease to exercise any real command over the men, and will gradually become nothing more than instructors.

As regards the charges of peculation brought against Colonel Chernozouboff, I should hesitate to believe that his delinquencies in this respect have been on so large a scale as is alleged, though I have it on the authority of one of the Russian officers of the brigade that he is experiencing considerable difficulty in substantiating the accounts which he is now in process of handing over to his successor, Colonel Liakhoff, who arrived in Tehran on the 15th instant. Colonel Chernozouboff has often told me himself that the amount allowed for maintaining a man and horse in the original estimates is quite insufficient with the prices now prevailing in Tehran, and that it was only by increasing the number of dismounted men and by permitting a large number to go on furlough on a reduced rate of pay during the winter months that he has been able to maintain his command at its proper strength during the summer when the annual training is carried out.

When, however, it is remembered that, as I have before had the honour to report, he rendered no account to the Persian Government for the money handed over to him, but merely considered himself bound in return for it to keep the brigade in such a state of efficiency as should content them, it is not surprising if, considering his nationality and the traditions of his service, he has considered himself the best judge of the rate of remuneration to which his services to Persia have entitled him.

Colonel Chernozouboff has now been in command of this force for about four years, during the greater portion of which I have myself been in Persia, and I can say from my own observation, as well as from what I have heard, that neither the discipline nor the general smartness of appearance and turn-out of the men of the corps are nearly as good now as they were when I first knew them.

I consider that Colonel Liakhoff is taking over the brigade in an extremely inefficient and almost insubordinate condition, and it is improbable that he will ever be able to regain the authority over the officers and men which was exercised by Colonel Chernozouboff's predecessors.

I have, &c.
(Signed) J. A. DOUGLAS,
Lieutenant-Colonel, Military Attaché.

[36246]

No. 139.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 29.)

(No. 247.)
Sir,

WITH reference to my despatch No. 51 of the 27th February last, I have the honour to transmit herewith a translation of a note from the Persian Government on the subject of the sovereignty over the Island of Bahrein claimed by His Majesty the Shah. The Grand Vizier mentions in the inclosed note an Agreement made in 1822 between His Majesty's Government and the Persian Government, in which the former recognize the Island of Bahrein as a dependency of the Province of Fars. I presume his Highness refers to the Agreement made in that year by the British Resident at Bushire and disowned by His Majesty's Government.

As I informed the Persian Government, under the instructions contained in your telegram No. 28 of the 9th February last, that His Majesty's Government decline to entertain any further representations on the subject of the Persian claim to sovereignty over Bahrein, I have returned no reply to the Grand Vizier's communication.

There are a few outstanding claims at Bushire in which Bahrein is interested, and I have been for the last year trying to settle these cases amicably with the Persian Government. If it should be impossible to obtain justice for the parties

concerned the details of these claims will be brought to your notice in due course, according to your instructions (see your telegram No. 28 of the 9th February last).

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure in No. 139.

Grand Vizier to Mr. E. Grant Duff.

(Translation.)

September 13, 1906.

I HAVE received and submitted to His Imperial Majesty the Shah your undated letter [19th February last] respecting Bahrein.

I have now the honour to state that, in view of the former proceedings, and also in view of the friendship existing between the two Governments, I did not expect to see the two following paragraphs in your note:—

1. "His Majesty's Government have never admitted the ownership or sovereignty of Persia over Bahrein, and such a claim is, in their opinion, entirely inadmissible."

2. "His Majesty's Government consider the Island of Bahrein and its inhabitants to be under British protection."

Not to speak of the fact that the spirit of the Treaties explains and demonstrates the rights of the Persian Government over the island in question, such an answer has never been put forward in the correspondence on the subject which has passed between the high officials of the two Governments in London and Tehran, and apparently it is the first time that such an answer has been given by the British Legation.

To refrain from giving a long and detailed reply to this statement, I content myself on this occasion with a reference to a distinct Agreement made between the high officials of the two Governments on the 30th August, 1822, and signed by Sir William Bruce, the Special Commissioner of the British Government. In the Agreement in question the decision about the case was as follows:—

"The Island of Bahrein has always been a dependency of Fars. The Bani Attabeh inhabitants of the island disobeyed the orders of the Fars authorities and applied to the Military Commander for a flag. The flag will be taken back if already given, and hereafter protection will be refused to the Arabs mentioned above."

In view of the clear expressions used in your previous note, in which the rights of the Persian Government over the island in question have not been denied, I hope you will continue to follow the former opinion of the British Government in regard to the rights of the Persian Government over that island, and you will not interpret my telegram addressed to the trading classes in Bahrein to mean anything but a mark of friendship between the two Governments. The telegram in question does not in any way compromise the rights of the Persian Government over the island. If there is any statement to be made in regard to certain difficulties about the inhabitants of the island, it is a separate question, which must be settled according to justice.

Note.—I cannot find the exact English text of the Agreement referred to, but I think the Grand Vizier refers to the Agreement made in 1822 between the British Resident at Bushire and the authorities in Fars. This Agreement was not ratified by His Majesty's Government, and the Resident was recalled.—A. K.

Annex.

Memorandum by Mr. Brant on Agreement with Persia of August 30, 1822, regarding Bahrein.

It is quite true that Captain William Bruce (he was not at that time Sir William) signed, on the 30th August, 1822, an Agreement with His Royal Highness Hoosain Aliy Mirza, Prince of Shiraz. The Hind Article of this Treaty was as follows:—

"The Island of Bahrein, which has always been subordinate to the Province of Fars and its possessors the Beni Uttoobee Arabs, who have of late been unruly and

[1682]

Mr. E. Grant Duff,
No. 247,
September 26,
1906
Mr. G. Willock, No. 1,
January 25
1822.

disobedient, and had applied to the Commanding Officer of the British forces for a distinguishing flag; this flag, if it has been granted, to be withdrawn, and no assistance to be rendered to the Beni Uttoobee Arabs hereafter."

The 4th section of Article V contains an undertaking to give naval assistance to a Persian expedition against Bahrein.

This Agreement was entirely contrary to the views of the Government at Bombay, and letters were written to the Prince of Shiraz disavowing the Treaty in strong terms and announcing the recall of Captain Bruce.

Not only did the Indian Government disavow the Treaty, but Mr. G. Willock, British Representative at Tabreez, reported that—

"Mirza Baugur, Anhie, who had been deputed to Court to obtain the ratification of the Treaty, did not meet with a favourable reception; and His Majesty the Shah, whilst refusing his accordance to the stipulations, expressed his displeasure that the Prince of Shiraz should have entered into any engagements with the British Government without his knowledge and injunctions."

This Agreement was therefore disavowed by the Indian Government in the most explicit manner, and it appears to have failed to secure the sanction of the Shah.

(Signed) R. W. BRANT.

Foreign Office, October 31, 1906.

[36247]

No. 140.

Mr. E. Grant Duff to Sir Edward Grey.—(Received October 29.)

(No. 248.)
Sir,

Tehran, September 28, 1906.

IN the diary of His Majesty's Acting Consul in Seistan for the week ending the 2nd instant I notice that fifty Persian soldiers are reported to have left for Kuh-i-Malek Siah.

I think it desirable to draw your attention to the matter as, should it hereafter become necessary to send the Robat double company to Nasratabad or elsewhere in Seistan, the presence of Persian troops on the frontier might not improbably lead to a collision.

Lieutenant-Colonel Douglas, Military Attaché at this Legation, will in due course inform the military authorities both in London and at Calcutta.

I have, &c.
(Signed) EVELYN GRANT DUFF.

[36251]

No. 141.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 29.)

(No. 252.)
Sir,

Tehran, October 6, 1906.

I HAVE the honour to transmit to you herewith copy of a despatch which Mr. Grant Duff received from His Majesty's Consul-General at Tabreez, reporting the attitude of opposition adopted by the Valiahd towards the reform movement.

In the early stages of the movement, when it was chiefly directed against the late Grand Vizier, His Imperial Highness, from personal motives, was inclined to support it.

Since the date of Mr. Wratislaw's despatch the Valiahd has had closer personal experience of the reformers, for the movement manifested itself in Tabreez itself, and several thousands of the malcontents took refuge in His Majesty's Consulate-General there. His Imperial Highness was genuinely alarmed, and at once begged Mr. Wratislaw to act as an intermediary between himself and his discontented subjects.

In this Mr. Wratislaw seems to have been entirely successful, so much so that both the Valiahd and the popular leaders expressed to him their thanks.

I have not yet heard how far this closer personal contact with the reform movement has affected his Imperial Highness' views.

The reform party here declare that, in the event of the Shah's death, they will not allow the Valiahd to set foot in Tehran until he has accepted in full all the reforms granted by his father.

I have the honour to inclose a copy of the note which Mr. Grant Duff addressed to the Grand Vizier while the malcontents were still in sanctuary at His Majesty's Consulate-General, urging His Highness to take steps to persuade them to remove themselves.

I have been informed by the Russian Minister that, according to the reports which have reached him, it is not probable that the Valiahd, although averse to the reform movement, will take any violent measures to suppress it when he is called to the throne. M. Hartwig is quite aware of the danger, and is prepared to use his influence with the Valiahd to prevent a recourse to violence.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure 1 in No. 141.

Consul-General Wratislaw to Mr. E. Grant Duff.

Sir,

Tabreez, September 15, 1906.

I HAVE the honour to report that the Valiahd has adopted an attitude of decided opposition to the constitutional movement at Tehran, which he at first encouraged in order to get rid of his enemy, the late Grand Vizier. In this course His Imperial Highness is aided and abetted by the Imam Juma, who feels that he can only lose by any change of régime in the direction of popular Government, and who makes no attempt to conceal his dislike of the proposed Parliament. The unpopularity of the pair is consequently increasing, and from time to time pamphlets are scattered about the streets attacking the Valiahd in no measured terms.

The Valiahd, who is of an extremely obstinate character, regards Persia as existing solely for the personal profit of the Sovereign, and is averse to giving up any of his privileges when he succeeds to the throne. He seems to have no idea that he is incurring any danger by this uncompromising attitude. I hear on good authority that he is about to send one of the lesser ecclesiastical luminaries of Tabreez to Kerbela with a large sum of money, to be laid out in bringing the Mujtehids of that place to fall in with his views.

I have, &c.
(Signed) A. C. WRATISLAW.

Inclosure 2 in No. 141.

Mr. E. Grant Duff to the Grand Vizier.

September 25, 1906.

AT the request of His Imperial Highness the Valiahd, His Majesty's Consul-General at Tabreez was engaged throughout yesterday in endeavouring to arrange the difficulties which have arisen between the Persian authorities in that town and the refugees now in "bast" in and around the British Consulate-General. Mr. Wratislaw has arranged the following terms, which the Valiahd has accepted. His Imperial Highness undertakes to write to Mr. Wratislaw a letter promising that no one shall be molested for his share in the demonstration, and stating that he indorses the Constitution granted by His Majesty the Shah. The people of Tabreez will then open the bazaars and evacuate the Consulate-General, leaving a few of their number to watch the progress of events. Before doing so they stipulate that the Persian Government shall telegraph to them, by order of the Shah, stating that the Constitution has been granted and the Regulations for the Assembly approved. It appears that the Azerbaijan authorities suppressed the communications received on the subject from the central Government, and this has caused the present trouble.

I would express the hope that your Highness will see your way to acquiesce in the request of the refugees, and so put an end to a situation which is causing anxiety to His Majesty's Government and grave danger to the Heir to the Throne of Persia.

[36252]

No. 142.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 29.)

(No. 253.)

Sir,
WITH reference to Mr. Grant Duff's despatch No. 229 of the 11th ultimo, I have the honour to transmit to you herewith copies of two Reports addressed by His Majesty's Consul at Kermanshah to His Majesty's Consul-General at Bushire on the capabilities of Pusht-i-Kuh as a district for the purchase of mules and on the military position of the Vali.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure 1 in No. 142.

Consul Gough to Major Cox.

(No. 76.)

I HAVE the honour to report, for the information of the Government of India, that while in Pusht-i-Kuh I saw a very large number of exceedingly fine mules, and was assured by the Vali that he would gladly welcome any officer sent to purchase mules for use in India.

I may say that these remarks apply equally to the Kalhor tribe, with whose Ilkhani I spent a couple of days on my return journey to Kermanshah.

The majority of the mules are larger than the stamp of animal required for baggage purposes, but should exactly meet the requirements of mountain artillery. The animals are large, very strong, and allowed to range free over the hills for three or four years. Grazing in Pusht-i-Kuh and in the Kalhor country is very good and plentiful, so that the animals are in good condition all the year round.

The average prices now obtaining for them is from 80 tomans to 150 tomans, or even 200 tomans, *i.e.*, from 200 rupees to 500 rupees. For this outside price, of course, the best mules in the country can be obtained. The above are the prices now obtainable locally, the higher priced animals for riding purposes, and the lower priced for transport.

I am aware that Major Arbuthnot saw some of the Kalhor mules last year (1905), and I was told by the Ilkhani that he offered only very small prices, and had no ready money with him. I do not know about that, but Major Arbuthnot did not buy any mules from him.

I am not aware what report Major Arbuthnot gave as to the probable value of these mules, but I am sure that if a tactful officer were to spend some three months in the vicinity of Mendali, and near the head-quarters of the Vali in the winter, or the summer months with his head-quarters in Pusht-i-Kuh, he would be able to purchase between 1,500 and 2,000 very fine quality mules at an average very little over 250 rupees per head.

(Signed) H. A. K. GOUGH, Captain.

Inclosure 2 in No. 142.

Consul Gough to Major Cox.

(No. 77.)

WITH reference to my recent tour in Pusht-i-Kuh, I have the honour to state, for your information, that the Vali assured me that he could put a force of between 30,000 and 40,000 men in the field in case of necessity. These figures, though probably too high, were, in the main, corroborated by the various people whom I questioned on the subject.

The Vali owns two regular infantry regiments and a force of almost regular cavalry always near him. The two regiments are said to number about 1,000 men each, while the sowars always attending him number about 500 men. This force is armed—the infantry with a Martini pattern rifle, and the sowars with a pattern of small-bore rifle, of which the Vali says he got a consignment of 500 last year. The tribes are generally all very well armed with Martinis, which are procurable at from 10 tomans to 100 tomans each. These rifles, I am told, mostly come from the Gulf, though some come through

Turkish territory. The best of the small-bore rifles are reported to come from Tehran, and therefore are, I suppose, Russian.

The Vali knew quite well the working of the Lee-Metford service rifle, and told me that he possessed some, though he did not say how he came by them. I may say that every man goes about armed with a rifle and a very large amount of cartridges. Sowars carry up to 250 Martini cartridges on their saddles, with perhaps another 150 in belts. Footmen generally carry two waist-belts and another cross-belt, all full of cartridges. These cartridges are refilled in the country, and, on the whole, very well refilled too.

There are several resident gunsmiths in Pusht-i-Kuh, who are quite capable of executing any necessary repairs, and, indeed, can turn out rifles themselves which it would be almost impossible to distinguish from those of European manufacture.

(Signed) H. A. K. GOUGH, Captain.

[36253]

No. 143.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 29.)

(No. 254.)

Sir,
Tehran, October 6, 1906.
WITH reference to my despatch No. 222 of the 10th September, I have the honour to transmit herewith copies of correspondence which has passed between Mr. Grant Duff and the Grand Vizier on the subject of the importation across the Seistan frontier of arms intended for the defence of His Majesty's Consulates at Meshed and Seistan.

Nothing further has passed on the subject here, but on the 19th September His Majesty's Consul in Seistan telegraphed that the local Director of Customs had handed him a *procès-verbal* detailing the circumstances of the importation of the arms, and informing him in conclusion that he was personally indebted to the Persian Government in the sum of 1,420 tomans, representing the value of the camels which brought in the goods, and which the Customs Administration claimed to be liable to confiscation under Article 97 of the "Règlement Légal." His Majesty's Consul, foreseeing the probability of the Customs adopting some such attitude, had been careful to get the camels quietly removed from Seistan by unfrequented roads. He was instructed to inform the local Director of Customs that the question of the importation was forming the subject of correspondence between the two Governments, and that if he had any complaints to make he should refer them to Tehran.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure 1 in No. 143.

Grand Vizier to Mr. E. Grant Duff.

September 13, 1906.

I HAVE received your note of the 23rd ultimo respecting the import of cases (of arms) into Seistan via Kuh-i-Malik Siah, and under the escort of Indian soldiers, without the knowledge of, or inspection by, the Customs officials.

I was very much surprised at your statement saying that the cases contained arms and ammunition necessary for the protection of the British Consulate.

The excitement in Seistan was due to the quarantine arrangements and the measures taken against the religion. There has been no evil intention against the Consulate, and as you are aware the punishment of the offenders was postponed till after the disappearance of the epidemic, and as soon as the disease abated the punishment began.

You are aware that the Persian Commissioner has been dealing with the matter for some time, but he has not received sufficient assistance from the Consulate, otherwise the matter would have been settled by this time. The details of the case have been mentioned in my note of the 17th April last.

Further, I do not need to point out to what extent the import of arms into the empire is prohibited by the Imperial Government. You are well aware that the British Government greatly shares the advantages of this prohibition. Whenever any arm is required by the members of the British Legation it is not imported without the special permission of the Persian Government. I do not see how on this particular occasion arms have been allowed to be imported without permission, and how you have allowed

British officials to smuggle goods, to resist the Customs officials with severity, in refusing to allow the inspection, and to beat the Customs employés.

You will no doubt agree with me that if reparation is not made the Persian Government will be exposed to great difficulties on account of similar cases.

I have no doubt you will, after a little reflection, see the future difficulties of the Foreign Office, and you will take effective measures for the necessary reparation for the action of the British Consul in Seistan.

You will kindly inform the Foreign Office beforehand of any measures you propose to take in this matter.

Inclosure 2 in No. 143.

Mr. E. Grant Duff to Mushir-ed-Dowleh.

September 14, 1906.

I HAD the honour to receive your note of the 13th instant complaining of the introduction into Seistan of a consignment of arms and ammunition destined for the protection of His Majesty's Consulate at Nasratabad.

Your Highness has, I understand, brought this case to the notice of His Majesty's Principal Secretary of State through the Persian Representative in London, and I have therefore nothing to add to the reply which I had the honour to send to you on the 23rd ultimo by the instructions of His Majesty's Government.

I would, however, point out that it is the duty of the Persian Government, and not of His Majesty's Consul in Seistan, to bring to justice the persons concerned in the disturbances of the 27th March and the 11th July last. The Persian Government and the local authorities have been duly furnished with a list of the principal offenders who are still at large. His Majesty's Consul has at all times been prepared to assist the local authorities to the best of his power. Your Highness is under a misapprehension in supposing that the arms and ammunition were smuggled by His Majesty's Consul with my permission. They were introduced by order of His Majesty's Government for the protection of the British Consulate, which was twice attacked by the subjects of His Majesty the Shah. It is also not in accordance with the facts that the Customs officials in Seistan were either beaten or threatened.

[36254]

No. 144.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 29.)

(No. 255.)

Sir,

Tehran, October 6, 1906.

WITH reference to Mr. Grant Duff's telegram No. 257 of the 24th ultimo, I have the honour to transmit herewith copy of a note which Mr. Grant Duff addressed to the Persian Government on receipt of the intelligence that the Russians were tampering with the Seistan end of the Meshed-Seistan line. No answer has as yet been received to this note.

As the whole question is being discussed at St. Petersburg, and as any action here might be prejudicial to our interests should the line pass eventually into our hands, I propose not to press the Persian Government any further at present. I may mention, however, that there has been a noticeable delay in the delivery of messages addressed to this Legation from Seistan since the line passed into Russian control, and that His Majesty's Consul at Turbat-i-Haidari has complained of the difficulty of getting connection with intermediate stations.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure in No. 144.

Mr. E. Grant Duff to Grand Vizier.

AT an interview I had the honour to have with your Highness recently at Rustemabad, you assured me that the Persian Government would on no account give the control of the Seistan end of the Meshed-Seistan line to the Russian Government.

I learn from His Majesty's Consul in Seistan that on the evening of the 20th September the Russian telegraph officials at Nasratabad cut the connection leading to the Persian office and took the line into their own office, which is now separate. The wire now goes to the Persian office from the Russian office.

It would appear that the local authorities had received positive instructions from the Sipahdar to oppose any such action, but that no steps were taken.

A report from a reliable source has also reached me that the Russian telegraph officials are taking control of all intermediate stations between Meshed and Nasratabad where their signallers are posted.

I have the honour to request your Highness to be so good, in view of your recent assurances, to favour me with an explanation of the action of the Persian Government in this matter.

September 24, 1906.

[36255]

No. 145.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 29.)

(No. 256.)

Sir,

Tehran, October 7, 1906.

I HAVE the honour to inform you that I arrived at this capital on the 1st instant, and was received with the customary formalities. I inclose a Memorandum as to the formalities observed and the presents given, which has been prepared for me by Mr. Churchill, who accompanied me on my journey, and who, with the Mehandar, Mohtashem-ul-Mulk, did his best to render the journey from the sea both easy and agreeable.

I was received with great cordiality by the Persian officials *en route*, and in my interviews with the Governor and Karguzar of Resht, and the Governor of Kazvin, was able to appreciate the friendly sentiments of these gentlemen towards His Majesty's Government, as well as their respect and esteem for Mr. Churchill.

On my arrival I was informed that the Shah's condition had changed for the worse. I therefore intimated through Abbas Kuli Khan that I would do everything possible to make my audience as short and as little burdensome as possible to His Majesty. The Ala-es-Sultaneh, Minister for Foreign Affairs, upon whom I called the day after my arrival, expressed his thanks for this communication, and said that it would be more convenient if the audience were fixed for Saturday, *i.e.*, the fifth day after my arrival, although, as you are aware, the Treaty limit is the third day. I said that under the circumstances, and in view of the medical reports which had reached me, I thought that my Government would admit a postponement. However, on the evening of the next day an official of the Foreign Office called to say that the audience would take place on Thursday, as there had been an improvement in His Majesty's condition.

I was accordingly received in audience on Thursday and presented my letters of credence, together with Sir A. Hardinge's letters of recall. His Majesty received me sitting. In accordance with the Treaty provision, I was accorded a chair, although I stood up to make the customary speech (or such part of it as I read) copy of which I have the honour to inclose. Having finished my speech, I resumed my seat and laid the King's letters in the Shah's hand, who passed them to the Minister for Foreign Affairs.

His Majesty's appearance was, indeed, distressing: his face pale and thin, his eyes fixed, and his legs swollen. In a feeble voice he asked after the health of His Majesty the King, and expressed the pleasure afforded to him by the recollection of his visit to England. After a few brief remarks the audience ended, and I repaired, according to custom, although not according to Treaty, to the apartments in which the Grand Vizier and Minister for Foreign Affairs were waiting to receive me.

I took the opportunity of presenting myself to the Shah's brother, the Naib-es-Sultaneh, who was waiting in uniform in the Palace in his capacity as Minister of War. Having thus fulfilled the usual formality of asking an audience of an Imperial Prince, on the day of the presentation of letters, I stated that I did not think it necessary to proceed to the apartments of the Shoa-es-Sultaneh, the late extortionate and tyrannical Governor of Fars, as has been done on previous occasions.

During my audience I presented Mr. Grant Duff on his departure, and Mr. Marling on his arrival, as well as Dr. Neligan, the newly arrived medical officer.

I was glad to observe the cordial nature of the farewell interviews between Mr. Grant Duff and the Grand Vizier and Minister for Foreign Affairs.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure 1 in No. 145.

Memorandum by Mr. Churchill.

HIS Majesty's Chargé d'Affaires informed the Persian Government that His Majesty's Minister was due to arrive at Enzelli on the 25th September, and a "Mehmandar" was deputed to meet him in accordance with the terms of the Turcomanchai Protocol of the 22nd February, 1828.

Mr. Churchill, Acting Oriental Secretary, was sent to Enzelli to meet His Majesty's Minister on behalf of His Majesty's Legation.

The Persian "Mehmandar" was Mohtashem-ul-Mulk, a member of an old Ghilan family, a cousin of Serdar Mansoor, K.C.M.G., Governor of Enzelli, who took with him as assistant Dr. Ismail Khan, a native practitioner of Tehran.

His Majesty's Minister arrived at Enzelli on the evening of the 24th September, but too late to land, and it was arranged that his official reception should be postponed until the following morning.

Sir Cecil Spring-Rice was accompanied by Lady Spring-Rice, Mr. Marling, Councillor of Embassy, and Dr. Neligan, Legation doctor.

At 8:30 A.M. on the 25th September the "Mehmandar" and Mr. Churchill proceeded in uniform on board the Shah's yacht to the steamer which had brought the Minister's party from Baku, and upon which the Union Jack was flying, and were received by His Majesty's Minister and Mr. Marling in uniform, His Majesty's Minister wearing "levée" dress.

The "Mehmandar," after having been presented by Mr. Churchill, briefly announced the object of his Mission, and congratulated His Majesty's Minister on his arrival in Persia. After an exchange of salutations the Minister's party, accompanied by the "Mehmandar," proceeded to land at Enzelli on board the Shah's yacht, to which the Union Jack had in the meantime been transferred.

The Minister was met on landing at Enzelli by Sardar Mansoor, K.C.M.G., the Governor of Enzelli, in full uniform. A guard of honour was drawn up and a salute of fifteen guns was fired. After a further exchange of salutations the Minister's party again embarked on the Shah's yacht and returning to the Baku steamer to take on board Lady Spring-Rice and the rest of the party, a start for Resht was made at 10 A.M. The lagoon was crossed in about half-an-hour when the party was obliged to enter small native boats to reach Piribazar, which is situated about 3 miles up a small river flowing into the lagoon. Piribazar was reached about mid-day, the whole party continuing to wear uniform. In accordance with the Turcomanchai Protocol and general custom, the Governor of Ghilan accompanied by the Notabilities of the province and a mounted escort met His Majesty's Minister in uniform at the landing place at Piribazar. The "Mehmandar" introduced the Governor to His Majesty's Minister, who in his turn introduced the members of his party. The Governor then introduced his own suite to His Majesty's Minister.

The order of march was as follows:

First Carriage.—Sir Cecil Spring-Rice on the right. The Governor of Ghilan on the left. Mr. Churchill acting as interpreter.

Second Carriage.—Lady Spring-Rice, and the "Mehmandar."

Third Carriage.—Mr. Marling, and the British Vice-Consul.

His Majesty's Minister having accepted the invitation of the "Mehmandar" to stay at his house at Resht, the Governor of Ghilan accompanied him there, arriving at 1:30 P.M., and a few hours later His Majesty's Minister returned the Governor's visit in ordinary dress.

Mr. Marling left for Tehran the following morning, and His Majesty's Minister remained at Resht until the 27th instant, leaving at 8:30 A.M. for Tehran, accompanied by Lady Spring-Rice, the "Mehmandar," Mr. Churchill, Dr. Neligan, and Dr. Ismail Khan.

Kazvin was reached at 3 P.M. on the 29th September. The Governor came out with the local Notabilities and the usual suite to meet His Majesty's Minister, whom he

accompanied to the post station. His Majesty's Minister returned the Governor's visit immediately. Ordinary dress was worn on both occasions.

The arrival at Tehran was arranged for the 1st October at 3 P.M., and a halt for the night was made at the last station in order to arrive in uniform at the indicated hour.

His Majesty's Minister wore full dress uniform and was met a few miles from the town gates by two members of the Legation staff who brought Royal carriages into which the Minister's party was transferred.

The remainder of the ceremonial followed general usage rather than the letter of the Protocol.

Paragraph 7, sentence 2, runs as follows:

"A chemin de la capitale ou du camp, son Excellence sera rencontrée par une grande députation du Schah, laquelle sera conduite par un des grands dignitaires de sa Cour."

At a Royal garden outside the town gate, known as the Bagh-i-Shah, the Minister of Police, by no means a high Court dignitary, with one or two subordinate officials of the Foreign Office and the Lord Chamberlain's Department, together with His Majesty's Chargé d'Affaires, the staff of His Majesty's Legation, and some representative members of the British community, awaited the arrival of His Majesty's Minister, whom they accompanied in procession to His Majesty's Legation. Some Royal footman preceded the first carriage containing His Majesty's Minister, the Minister of Police, and Abbas Kuli Khan, Assistant Oriental Secretary, acting as interpreter.

A squadron of the Persian Cossack Brigade acted as escort, and drew up before the Legation gates. The whole party drove in carriages supplied by His Majesty the Shah.

Paragraph 9 of the Protocol states:

"Le lendemain de son arrivée les Ministres du Roi et les grands dignitaires de la Couronne rendront visite à son Excellence. Le surlendemain elle aura son audience solennelle chez Sa Majesté le Schah."

The Shah's health prevented the audience from taking place on the 3rd instant but was arranged for the following day. Royal carriages were, as before, sent for His Majesty's Minister and the Legation staff.

After the audience, His Majesty's Minister paid visits in other apartments of the Palace, on the Grand Vizier and on the Naib-es-Sultaneh (Minister for War, the Shah's younger brother).

The usual presents were given by His Majesty's Minister, as follows:

Recipient.	Presents.	Value.
His Imperial Majesty the Shah	Jewelled watch and chain	About 250 <i>l.</i>
Sadr Azam	Gold cigarette box ..	" 60 <i>l.</i>
Foreign Minister	Silver dessert service ..	" 35 <i>l.</i>
Mehmandar	Gold watch and chain ..	35 <i>l.</i>
Dr. Ismail Khan	Prism glasses ..	12 <i>l.</i>
Mehmandar's head servant	Gold watch ..	16 <i>l.</i> 16 <i>s.</i>
Captain of Shah's yacht	Silver fruit spoons in case ..	3 <i>l.</i>
Contractor of Resht-Tehran Postal Service	Silver spoons in case ..	3 <i>l.</i>
Servants at Mehmandar's house at Resht	Prism glasses ..	7 <i>l.</i>
Band, Cossack escort, Coachmen, &c. (Resht)	45 tomans.	
	45 tomans.	

(Signed)

G. P. CHURCHILL,
Acting Oriental Secretary.

Tehran, October 7, 1906.

Inclosure 2 in No. 145.

Speech by Sir C. Spring-Rice on presenting his Credentials to the Shah.

Your Imperial Majesty,

THE King, my August Sovereign, has been graciously pleased to appoint me as his Envoy Extraordinary and Minister Plenipotentiary at Your Imperial Majesty's Court, and I have now the honour to present the Royal letter accrediting me in that capacity as well as the letter recalling Sir Arthur Hardinge.

Like my predecessors in office, it will be my earnest desire, in obedience to my Sovereign's command, to continue and consolidate the close and cordial relations which have long subsisted between the Courts of Great Britain and Persia.

In carrying out the commands of my August Sovereign, I rely with the fullest confidence on the friendly co-operation of the able Ministers to whom Your Majesty has intrusted the direction of affairs.

In conclusion I would express the hope that Divine Providence may prosper your Majesty's labours on behalf of your Empire and people, and may continue to bless Your Majesty with a long, happy, and glorious reign.

[36256]

No. 146.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 29.)

(No. 257.)

Sir,

Tehran, October 7, 1906.

I HAVE the honour to report that on the 3rd instant I called on the Ala-es-Sultaneh, the Minister for Foreign Affairs. His Highness, who, as you are aware, has been for fifteen years Persian Minister in London, received me with great cordiality. I submit a brief résumé of a long conversation.

His Highness said that he was most unwilling to leave London, and that he had only yielded to the pressure exercised on him by the Shah and the Grand Vizier. The appointment was not pleasing to the Russians, but he had pointed out that the Grand Vizier's son was Minister in St. Petersburg, and was regarded as a decided pro-Russian, so that his supposed English sympathies would, if they existed, be counteracted.

He expressed great anxiety as to the pourparlers said to be going on between England and Russia. For years England had been the natural and necessary friend of Persia. Was she going to abandon her ancient ally to her new friend? I reminded him of the explicit assurances made both by Lord Lansdowne and yourself to him personally, and asked him if, in view of these assurances, he could believe that England had changed her views as to the necessity of maintaining the integrity and independence of Persia.

He said he had himself no doubts, but there was undoubtedly a feeling of doubt in the air, and especially in the Shah's mind. It was feared that England, in order to arrive at a friendly arrangement with Russia, might consent to a general surrender of her interest in Persia, or, what would be even worse, would negotiate a partition of the Empire into so-called spheres of interest, which was a convenient term for a veiled Protectorate. Was England contemplating a Persian Agreement with Russia on the model of the Moroccan Agreement with France? If so, Persia would seek her salvation elsewhere than in the advice of England, and would throw herself on Europe. Or was she contemplating a division of Persia, on the model of the African settlements? In that case Persia would claim the right of a voice in deciding her own fate, and would appeal to the sympathies of the world at large.

Another matter which had deeply impressed the Shah was the apparent apathy of England and Russia in the matter of the frontier Agreement with Turkey. So extreme had now become the violence of the Turkish attitude that it was plain that the Persian Government would be obliged to have recourse to arbitration. He himself would prefer that of Sir Nicholas O'Conor. He thought, however, that some independent Sovereign would be appealed to, and I understand from other quarters that the Sovereign in view is the Emperor William.

A third and most serious consideration was suggested by the joint loan of which he had recently been informed. Did it mean, as some said, that Russia had been obliged, owing to her financial necessities, to give up her former design (prosecuted up to the last moment, and defeated mainly owing to the opportune offer of certain

English capitalists) of obtaining extortionate terms for a large advance, and had been compelled to have recourse to England? And had England submitted to the Russian conditions, and consented to join hands with the Russian Government in coercing the Persian Government? He reminded me of the great objection of the Amin-es-Sultan to Lord Salisbury's former proposal of a joint loan, on the ground that it would be the first step to a joint Protectorate, and said that it could not be wondered at if the news had aroused the gravest apprehensions.

I reassured his Highness as well as I could, pointing out the unequivocal nature of your declarations, and my conviction that the first principle of English policy in Persia was the maintenance of her independence in the fullest sense of the word.

I have, &c.
(Signed) CECIL SPRING-RICE.

[36257]

No. 147.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 29.)

(No. 258.)

Sir,

Tehran, October 7, 1906.

I called on the 5th instant on the Russian Minister, who is still in his country residence. He received me with the greatest cordiality.

We discussed the situation in general terms. As you are aware, when in Russia he was an advocate of the Agreement with England, mainly on European grounds. I did not gather from his conversation that his views had changed; but he has undoubtedly, whatever are his intentions, found the traditions of his office and the sympathies of his subordinates a considerable obstacle to carrying out the policy of conciliation which is so much to be desired.

With regard to the joint loan, he said he would immediately take the matter in hand. I am in consultation with M. Rabino of the Imperial Bank, and my colleague and I will draw up and submit a scheme for the reasonable control of expenditure, on the lines already agreed on. The necessities of the Government are such that there will not be much difficulty in proving to our satisfaction that the money demanded is really required. I will bear in mind the necessity of an accurate definition of our guarantee, in view of the doubts which have arisen with regard to the Gulf ports. I trust that no difficulty will arise in this connection; but if it does, I fear we shall have to insist on a satisfactory settlement.

M. Hartwig spoke of the question of spheres of interest. He said that the great objection to this proposal was that if it came to be known to the Persians, it would infallibly throw them into the arms of Germany, while it would be an endless cause of difficulty between the Governments of England and Russia. The best course to take, in his opinion, was a specific Convention dealing with railways, telegraphs, &c. To this the Persian Government could not object, and it would leave no opening for disputes as to what was or was not an infraction of this shadowy expression "influence."

I told him that I had despatched the telegram, copy of which I inclose, to His Majesty's Consular officers in Persia, recommending them to adopt a conciliatory attitude towards their Russian colleagues, and he said he would send similar instructions. The cordial co-operation between our Consular officers was, he said, especially necessary at Tabreez, where the Valiahd's attitude was of so much importance.

We did not enter specifically into any of the questions now pending between our Governments in this country. We parted on the most friendly terms and with mutual assurances of the desire to facilitate the task of our Governments by the personal relations of ourselves and of our respective subordinates.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure in No. 147.

Sir C. Spring-Rice to His Majesty's Consular Officers in Persia.

(Circular.)

Telegraphic.) P.

SINCE His Majesty's Government are negotiating with Russia with a view to a general settlement of Persian affairs, it is desirable that during the course of these negotiations the Consular officers of both Powers should desist from their ancient rivalry.

You should do your utmost to refrain from any action which might appear unfriendly to your Russian colleague; but any action on his part which, in your opinion, would be harmful to British interests should be carefully reported as heretofore.

[36259]

No. 148.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 29.)

(No. 260.)

Sir,

I UNDERSTAND that the question of providing a doctor for the Bakhtiari Khans has formed the subject of correspondence between Mr. Grant Duff and the Government of India, but that the Khans, when recently in Tehran, informed Mr. Grant Duff that they had no need of the services of a special European doctor, as they could always summon one in case of necessity. They were probably actuated in this by the fear that any doctor supplied by us would exercise political rather than medical functions, and also by the fact that the more ignorant Persians are apt to regard European medical men in cases of outbreaks of epidemics with a considerable degree of hostility.

I have the honour to transmit herewith copy of a Report on the subject which has been addressed to His Majesty's Consul-General at Bushire by the British Acting Consul at Kermanshah. This Report has presumably been forwarded to the Government of India, who will doubtless communicate with me should they intend to take any further step in the matter. Although the Khans, when here, showed no desire to have a doctor of their own, I understand that this has not always been their attitude to the question, and in any case Captain Crossle's suggestion that separate medical men should be appointed to Ahwaz and Kermanshah seems worthy of serious consideration.

I have, &c.

(Signed) CECIL SPRING-RICE.

Inclosure 1 in No. 148.

Acting Consul Crossle to Major Cox.

(No. 11.)

Sir,

I HAVE the honour to inclose herewith:—

1. A Report concerning the appointment of a doctor to the Bakhtiari Khans.
2. Some notes on the doctors at present practising in the Bakhtiari country.
3. Some notes on the commoner diseases met with in Bakhtiaristan.

I have, &c.

(Signed) H. CROSSLE, M.D., Captain, I.M.S.,
Consular Surgeon, Kermanshah and Arabistan.

Inclosure in No. 147.

Sir C. Spring-Rice to His Majesty's Consular Officers in Persia.

(Circular.)

Telegraphic.) P.

October 3, 1906.

SINCE His Majesty's Government are negotiating with Russia with a view to a general settlement of Persian affairs, it is desirable that during the course of these negotiations the Consular officers of both Powers should desist from their ancient rivalry.

You should do your utmost to refrain from any action which might appear unfriendly to your Russian colleague; but any action on his part which, in your opinion, would be harmful to British interests should be carefully reported as heretofore.

Inclosure 2 in No. 148.

Acting Consul Crossle to Major Cox.

Sir,

Kermanshah, August 12, 1906.
I HAVE the honour to make the following Report concerning the appointment of a doctor to the Bakhtiari Khans:—

Unfortunately I did not meet the Khans during my tour through Bakhtiaristan, with the exception of the Salar Arfa and the Moin Humayun. I have, however, asked Captain Lorimer to send in a Report after he has sounded the Khans. I have no doubt whatever but that the appointment would be a popular one both with the Khans and the people.

The appointment could be made in one of the following ways:—

1. A doctor could be sent from the Missionary Hospital at Ispahan. It is, however, thought undesirable to encourage missionary enterprise to meet this need.

2. A doctor could be engaged from one of the medical schools at home for a certain number of years. It would be inadvisable to have a man completely at the beck and call of the Khans, as he would be if paid by them. On the other hand I very much doubt if the Khans would be prepared to pay a sufficiently large sum of money to secure a reliable man.

3. A doctor might be appointed to look after the Khans, and at the same time act as political officer with them.

4. When the Consular Surgeon for Kermanshah and Arabistan was first appointed it was proposed that he should act as doctor to the Bakhtiaris. Circumstances, however, made it necessary that his head-quarters should be at Kermanshah, and so the idea fell through. It will be agreed that the present appointment of Consular Surgeon to both the Kermanshah and Ahwaz Consulates is an impossible one to fulfil satisfactorily. If the appointment were divided into two—one Indian Medical Service man being appointed to the Ahwaz Vice-Consulate and another to Kermanshah—the doctor at Ahwaz could have the Bakhtiaris under his special charge.

I have, &c.

(Signed) H. CROSSLE, M.D., Captain, I.M.S.,
Consular Surgeon, Kermanshah and Arabistan.

Inclosure 3 in No. 148.

Notes respecting Doctors at present practising in the Bakhtiari Country.

THERE are at present three doctors working in the Bakhtiari country. Their names are Stephen, Paul and Balak.

Stephen is an Armenian who was taught in the Ispahan Mission School. He is a man of about 35 years of age, and for the past three years has been acting as medical attendant to the Salar Arfa. His salary is 250 tomans per annum, but with presents he calculates that he makes about 500 tomans. He also attends the other Khans and their relations, but complains that though he is only the Salar's doctor, they expect him to attend them for nothing. Professionally he seems to be fairly well up in his work, and appears to be an intelligent man.

Paul is also an Armenian who was educated at Ispahan, under Dr. Carr. He is over 40 years of age. He has a dispensary in Ispahan where he practises. During the summer he tours through Bakhtiaristan spending about two months on the road and two months around Chigakhor, the summer residence of the Khans. During that time he reckons that he makes some 300-400 tomans. His fees are 3 krans for medicines sufficient for two days, and 1 toman a vershkt if called to see a case at a distance. He seems to have a fair knowledge of his work.

Balak is the man about whom there was some correspondence lately. He had arrived at Chigakhor on the 1st July, but left suddenly on the 2nd so I was unable to meet him. From Stephen's account of him, which is prejudiced, he is an outrageous quack. From Kila Tul, where he was for the spring months, he went to Julfa, and lately has been practising in the Chahar Mahal.

Inclosure 4 in No. 148.

Notes on the Commoner Diseases met with in Bakhtiaristan.

MALARIA is very common, especially in the valleys during the months of August to October. The tertian type is most frequently met with, but one occasionally sees cases of quotidian and quartan fever. As a rule the fever is trivial and responds readily to quinine.

Mosquitoes are abundant in the marshy ground at Chigakhor. Here, I found *A. Culifacies*, *A. Rossii*, *A. Maculipennis*, and *A. Theobaldi*.

Cholera: During the epidemic three years ago, Bakhtiaristan did not escape though the epidemic was not very violent. Stephen informed me that in the villages where he was staying, forty died out of a population of 500.

Small-pox occasionally occurs, but one does not notice the same signs of the disease as one does in India. During an epidemic children are inoculated. Some of the virus is taken from a pustule, dried and kept for some time in an unnecessarily dirty condition. Hence, when used, septic wounds are common. This is also a fertile field for the spread of syphilis. Vaccination is not practised.

Typhus: Paul described a small outbreak which occurred last year, and Stephen told me of a form of fever at present fairly common which, in many ways, resembles typhus.

Influenza: There is at present a fair amount prevalent. The bronchitis form is most common and has the greatest mortality. The pyrexial, abdominal, and cerebral forms are also to be found.

Syphilis is prevalent among all classes, but especially among the Khans. Cases of rupia, and ulceration, are frequently met with. Congenital caes are to be seen.

Gonorrhœa is common, and thought of little account.

Consumption is not frequent owing to the compulsory open-air life the people lead. I have, however, met with some cases among the ladies of the Zenanas.

Bronchitis: Nearly all the men seem to suffer from bronchitis, more or less.

Pneumonia is very common in the cold weather, and has a large mortality.

Pleurisy is not so common.

Dyspepsia and constipation are universal, and due to overeating and want of exercise.

Tape—round and thread-worms are exceedingly commonly met with in both children and grown-up people. Several of the bottles which were brought to me for medicine, were labelled "Santonin."

Rheumatism is common owing to the exposed life the people live, and the scanty clothing they wear.

Eczema is common and very intractable.

Hysteria is prevalent among the ladies of the Zenanas.

Fistula, gout, and kidney troubles, are met among the Khans.

Eye complaints are, considering everything, not very common. Granular lids, and ulcers, resulting in leucoma, are met with. They do not seem so common as further south in Arabistan, where the soil is sandy.

Cataract is common. It is treated by needling with a piece of iron. Result is very bad, but, in some cases, partial vision is obtained. Cataract is also treated by dislocating the lens backwards into the vitreous.

The following is the way in which broken limbs are treated:—

Some eggs are cooked in urine and smeared on the limb. Then some sticky substance (composition unknown) is spread like a plaster on a dirty cloth. Wooden splints without pads are then applied, and the whole very tightly bandaged. As a result the limb swells. This, to them, is a sign that the bone is uniting. After three days the bandage is gradually loosened, and after ten days the splints are removed and the patient allowed to walk. Result: dead bone, permanent œdema, and painful limbs, besides deformity.

Women's diseases: Boys, 12 to 14; girls, 8 to 10 years when they marry. As a rule they cohabit at once. Menstruation begins 9 to 12 years, lasts 5 to 12 days. It is painful often amongst the upper classes, but not in the lower classes. Menopause about 50.

At child-birth only women are admitted. There are so-called professional women who attend the patient. The cord is cut immediately. Not much attention is paid to the placenta. It is not examined. It long delayed the stomach is rubbed. In extreme

cases the hand is introduced and the placenta removed. No antiseptics or washings are employed. A binder is commonly used. In prolonged labour the hand is introduced and the presenting part pulled down. In extreme cases the child is removed piecemeal. Puerperal fever is very uncommon. Dysmenorrhœa, leucorrhœa, &c., are common. Among the poorer classes the mother gets up almost at once. Ladies get up third day and go to the bath. The child is tied up like a mummy, swathed in clothes, and then tied to a board with the object of preventing its limbs becoming bent.

Total number of cases treated—567.

[36260]

No. 149.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 29.)

(No. 261.)

Sir,

Tehran, October 7, 1906.

I HAD the honour to telegraph to-day that His Majesty the Shah had inaugurated the opening of the Persian National Assembly by receiving the Tehran Deputies in formal audience.

The members of the Corps Diplomatique were invited to attend the ceremony, and a special apartment in the Palace was placed at their disposal from which a view of the proceedings could be obtained.

The principal High Priests and a large gathering of the clergy awaited His Majesty in a separate room together with the Ministers of State, the Court officials and the Kajar Princes. When His Majesty entered, supported by two Chamberlains, the assembly rose, but His Majesty allowed the clergy to resume their seats.

The Imperial address, a somewhat long and rambling document, was then read by a high Court official and ran briefly as follows:—

By the grace of God, the intention which His Majesty had had for many years to bring about the institution of a National Assembly, was at last achieved. On that auspicious day the National Assembly was being opened and the heads of the nation would co-operate with the Imperial Ministers in bringing about reforms for the prosperity and progress of the State, casting aside all personal considerations. They would also see that the laws of Islam were carried out. His Majesty concluded by impressing on the Assembly the grave responsibilities of their position and enjoining upon them the obligation under which they stood to devote their energies faithfully to the interests of the sovereign and the nation which had elected them; and reminded them that the interests of each individual were identical with His Majesty's own, and that His Majesty's subjects were his own children.

At the conclusion of the address every one shouted "Long live the Shah," and after a few moments the Shah retired and the Assembly withdrew.

I am informed that His Majesty, who until then had remained silent, exclaimed, in the presence of his courtiers as soon as the ceremony was over: "God be praised, I have at last attained my long desired object. If I were to die now, there is no other project which I should desire to see realized."

I should explain that the above account of the proceedings was supplied to Mr. Churchill subsequently by an eye-witness of the whole ceremony. The Imperial address could not be heard from the room in which the Corps Diplomatique was assembled, nor could we see His Majesty although the shouts of applause were plainly audible and appeared to be characterized by enthusiasm.

It will be remembered that the Election Regulations were signed on the 10th September, and that their general features were as follows:—

1. General election all over Persia by vote.
2. The Tehran district to elect about sixty-four Members.
3. The provinces to elect from six to twelve Members each, in all about 160 Members.
4. Electors to have one vote and to vote in only one class.
5. Immunity of Members from prosecutions with certain stipulated exceptions.
6. Government officials to vote but not to be eligible as Members unless they give up their Government appointment.
7. The Assembly to meet as soon as the Tehran Members are elected and not to await the provincial elections.

8. The Tehran Members to elect a President, Vice-President, &c., and to sit immediately.

The election took place by classes, namely, the Princes and Kajars 4, the clergy 4, the Nobles and aristocracy 4, landowners 10, merchants 10, and the guilds 30. The total number of electors did not exceed a few hundred in each class.

In virtue of the conditions cited above the Assembly was empowered to commence its sittings without further delay, and the day after the formal opening by His Majesty, the first formal sitting was held. Sani-ed-Dowleh, who had been elected by the aristocracy, was appointed President, and Haji Amin-ul-Zarb, a prominent and worthy merchant, was elected one of the Vice-Presidents.

Sani-ed-Dowleh is a brother of Mukhber-ed-Dowleh, K.C.I.E., the ex-Minister of Telegraphs. He was educated at Berlin and is known for his enlightened and progressive views. His name has been before the Foreign Office in connection with the Automobile Concession of the 22nd May, 1904 (see Sir Arthur Hardinge's despatch No. 137 of the 24th July, 1904). He is a son-in-law of the Shah, and has held many high Government offices including the Ministry of the Treasury, the Mint, Posts, &c., but does not at present hold a Government office. The election of Sani-ed-Dowleh as President of the Council bodes well for its future, though of course it is impossible, at this early stage, to make a forecast of any practical value. According to the opinion of an experienced and enlightened Persian, whom I have known for many years, the effect of the convocation of this new Assembly will not for some time be of a very practical character. Apart from the inexperience of the Members the interests at stake are so conflicting and diverse that a great deal of underhand opposition from many and probably unsuspected quarters will have to be got over before any useful work can be done by such a body.

It will, therefore, probably be many months, or even years, before the National Council will be more than a merely nominal institution, if ever it emerges from its present embryonic stage.

The present idea of the promoters of the movement is to form Committees charged with the examination of administrative and financial questions, with a view to restoring financial equilibrium and to eventually freeing the country from the burden of foreign debt.

I have, &c.
(Signed) CECIL SPRING-RICE.

[36262]

No. 150.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 29.)
(No. 263.)

Tehran, October 7, 1906.

I HAVE the honour to transmit herewith a copy of a despatch addressed to Mr. Grant Duff by the British Vice-Consul at Resht, reporting on the recent manifestation of the reform movement in that town, when a large number of persons sought refuge in the British Vice-Consulate.

As Mr. Grant Duff informed you in his telegram No. 261 of the 26th ultimo, the refugees had already left the Vice-Consulate at Resht before my arrival there.

The demonstrations at Tabreez and Resht were probably occasioned by the attempt of the reactionary party here to confine representation on the National Assembly to the capital, and by a suspicion that the provinces were to be ignored generally. Vanity had also much to do with it, the larger provincial towns feeling that it was derogatory to their dignity to be outdone on so important an occasion by the people of Tehran.

The Grand Vizier assured Mr. Grant Duff (see his telegram No. 256 of the 24th ultimo) that copies of the Shah's Rescript and of the Regulations for the Assembly had been forwarded to all the provincial authorities, and it is therefore to be hoped that no more of these troublesome demonstrations will occur.

I propose to approve Mr. Messervy's proceedings.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure in No. 150.

Vice-Consul Messervy to Mr. E. Grant Duff.

Sir,

Resht, September 18, 1906.
I HAVE the honour to report that a number of Mollahs, merchants, small land-owners, and others have taken "bast" at this Consulate, seeking the assistance of your influence for the redress of the wrongs of which they complain.

In the first instance the refugees, composed chiefly of small land-owners, had come on account of personal grievances and complained of injustice at the hands of the Governor, Salar Akram, and his *entourage*. Being unable to persuade them to depart, I advised you by telegram, and also advised the Governor, both privately and officially, through the Karguzar.

The Karguzar at once came to the Consulate and interviewed the principal malcontents, but was unable to influence them in any way. This was on Sunday, the 16th instant.

Since then the refugees have been increasing in number, and are now for the most part actuated by public spirit rather than private grievances. They informed me on the morning of the 17th instant that their quarrel was with the Persian Government rather than with the local Governor, and they wished to solicit your assistance in obtaining constitutional freedom and justice for the Province of Ghilan. As stated in the Petition which I have the honour to inclose, they conceive that the promised reforms have been withheld after all, or that they are limited to Tehran. I had the honour to advise you of this by telegram, and I also acquainted the Governor with the fact that the agitation was against the Central Government rather than against him personally.

Last night the throng of refugees was increased by a number of respectable merchants (of very good standing) and Mollahs led by the Hessam-ul-Islam. The latter told me that their object was to co-operate with the reformers in Tehran, and to seek the assistance of your influence in obtaining for Persia the benefits of a constitutional Government, and in removing the obstacles now in the way.

The Imaum Juma did not come in person, but sent to assure me that the movement had his support, and that he was co-operating with the Hessam-ul-Islam and the other agitators.

The Hessam-ul-Islam and other leaders did not remain on the Consulate premises, but I understand that they are trying to rent a house opposite, where they may take up their quarters. The number of refugees would be much greater but for the limited space available.

I may mention that the principal Mujtehid, Haji Khommami, sent a relation of his (a well-known Mollah) to suggest that Haji Khommami and myself should jointly adjudicate on any differences between the Governor and the malcontents, this being on Sunday night, when the grievances in question were chiefly personal. I replied that I had no authority to take such a course, but that I would communicate his wishes to you, should he desire me to do so. This, however, Haji Khommami did not wish, on account, he stated, of the delay entailed by reference to Tehran.

The situation is therefore briefly this: the original refugees, some twenty in number, have personal grievances, the others apparently have not. The movement is a popular one, the important personages of the district are holding back, not unnaturally, as they would be losers by an altered régime and the introduction of reforms. It is significant that the wealthiest Mujtehids take no part in the movement.

I have, &c.
(Signed) B. MESSERVY.

[36263]

No. 151.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 29.)

(No. 264.)
Sir,

Tehran, October 11, 1906.

IT is, of course, too early for me to give any opinion on the general situation. I venture, however, to submit the following observations:

Whatever be the immediate practical effect of the new popular institution, there appears to be little doubt that it is the outward sign of a considerable change through

which Persia is passing. From all I hear I gather that the spirit of patriotism has come to life and may be come to stay. This is the natural result of the educational work of the Babis, the Pan-Islamic movement, and the feeling of personal dignity which has been revived in the Asiatic mind by the successes of Japan. Whatever may be the strength and practical value of the movement, I venture to submit that it should not be lost sight of.

From this point of view it would appear that in any negotiations with regard to this country which we carry on with Russia we should put on record, as the first and principal point of our policy, our traditional desire to obtain, in a definite and final shape, the formal recognition of the principle of Persian integrity and independence, and the maintenance throughout Persia of equal opportunity for the commerce of all nations. I submit that our hands would be greatly strengthened in dealing with this Government should we be able to point to indisputable evidence that this was our first and foremost demand in negotiating with Russia for the final settlement of our differences.

Should we desire to effect a settlement of those differences by a mutual agreement to restrict our diplomatic activities to certain respective portions of the Persian Empire, I submit that such an agreement should be of a specific and definite character, relative to the prosecution under English and Russian influence respectively of certain industrial enterprises, the definition of the measures against the infiltration of plague, and other details of a commercial or administrative character, but that all proposals liable to be misinterpreted as a demand for exclusive territorial control should be sedulously avoided.

I fear that an English proposal of a territorial character would be a valuable instrument in the hands of any one anxious to prove to the Persian people that the policy of Great Britain, which has so long and so ably striven to maintain the principle of Persian integrity and independence, had now changed, and that we were striving to buy off the hostility of Russia by surrendering to her exclusive control over the greater part of Persia, on condition that we were permitted to hold as our exclusive possession that small remaining portion which we considered necessary for the defence of our Indian possessions.

I have, &c.
(Signed) CECIL SPRING-RICE.

[36264]

No. 152.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 29.)

(No. 265.)

Sir,

I HAVE the honour to transmit herewith a copy of an interesting report which I have received from His Majesty's Consul-General at Tabreez on the recent demonstrations made by the Reform party in that city.

Mr. Wratislaw has drawn my attention to the great zeal shown by Mr. Vice-Consul Stevens on this occasion, who, though unpaid, remained for nine days and nights in the Consulate-General, where his influence over the people, to whom he is well known, having been brought up among them, enabled him to be of the greatest service. As an intermediary between Mr. Wratislaw and the Valiahd he is stated to have been invaluable, as His Imperial Highness knows him and likes him and speaks to him very frankly.

I propose, with your sanction, to approve Mr. Wratislaw's action on this occasion, and would venture to suggest that I should be instructed to convey the thanks of His Majesty's Government to Mr. Vice-Consul Stevens.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure 1 in No. 152.

Consul-General Wratislaw to Mr. E. Grant Duff.

(No. 49. Confidential.)

Sir,

IN supplement to my telegrams concerning the recent agitation at Tabreez, I have the honour to submit the following details and remarks:—

Although vague rumours of an intended demonstration had already reached my

ears, it was not till Monday the 17th instant that I heard anything definite. On the afternoon of that day a British subject informed me that he had just been stopped in the street by a, to him, unknown Seyyid, who asked him whether the British Consulate-General would consent to give asylum to persons wishing to demonstrate in favour of the Constitution. I at once telegraphed to His Majesty's Legation to ask what course I should pursue in such an event, but it was not until after sunset on the next day that I received your telegram instructing me to do all I could to dissuade intending refugees, but that in case of failure to do so I must receive them. Early next morning while I was still in bed I was informed that about thirty persons, mostly Seyyids and Mollahs, had come to the Consulate and announced their intention of staying. As soon as I was dressed I requested them to send in their spokesmen to explain matters to me, and two men presented themselves: one was a certain Seyid Hashim, a "Pishnamaz" (leader of prayers at the Mosque), who proved to be the promoter and leader of the movement, and the other a Mollah of no particular importance. In reply to my question they stated that they had come to put themselves under the protection of the British flag as a sign of protest against the delay in granting the Constitution and in order to support the action of the popular party at Tehran. I pointed out to them that His Majesty's Legation was already doing all that was possible to effect a satisfactory settlement at head-quarters, and that local action at Tabreez seemed to me to be quite superfluous. They replied that they had been taunted with being slack ("bi-ghairet") in the national cause, that it behoved Azerbaijan as the largest and richest province in Persia to show that it was not behindhand, and finally that they proposed to stay in the Consulate unless I turned them out.

Under these circumstances, I could only give them permission to remain, but I told them plainly that I would not have my house made a base for disorderly conduct and that they must be particularly careful to avoid everything that could possibly lead to disturbances directed against the Armenians. If anything of the sort happened, I should turn them out immediately. They replied that they quite understood this, and that the Armenians had already been assured that they need be under no apprehension whatever. This was perfectly true, and from first to last the Armenians appeared to look on the demonstration with complacency and some even subscribed to the campaign funds.

At midday the bazaars were closed, and henceforward the population came crowding to the Consulate in daily increasing numbers, till towards the end there must at times have been 15,000 to 20,000 men on the Consulate premises, in the adjacent Mosque, and in the neighbouring streets which were often quite impassable. The first night only about 50 persons slept at the Consulate, the next night 100, and after that from 250 to 300.

They passed the night, some packed like sardines, in four empty rooms which I put at their disposal, others in two large tents I had erected in the garden and back-yard, while those of lower degree slept on the ground in the open air. A kitchen was extemporized in the stable-yard, and no difficulty was experienced with the commissariat.

On the afternoon of the 19th the Valiahd sent the Karguzar to ascertain what the refugees wanted and to try to persuade them to leave the Consulate. He failed completely, and I understand that he was told some unpleasant truths regarding the light in which his complacency towards the Russian Consulate is regarded by his compatriots.

Next day the old-established Mujtahids of the town repaired to one of the Mosques in sign of sympathy with the movement, and dispatched thence the telegram to Tehran, which I forwarded to His Majesty's Legation. In the evening the Valiahd informed me, through Mr. Vice-Consul Stevens whom I sent to the Palace at His Imperial Highness' request, that he intended to open the bazaars by force, but he fortunately made no attempt to execute this very imprudent threat.

On the morrow Mirza Hassan Agha, the Imam Juma, and other Mujtahids repaired to the Mosque near the Consulate which they henceforward daily attended till the crisis was over. They had proposed to come to the Consulate, but were told that they would have no precedence over their juniors, a condition which their sense of their own dignity did not allow them to accept.

This day the Valiahd seems to have become seriously alarmed and dismissed his protégé Saad-el-Mulk, the Beglerbeghi (Mayor) of the town and the chief member of the grain ring, whose oppression had rendered him detested by everyone. He took refuge at the Palace. It was also reported that the soldiers in camp outside the town were talking of joining in the demonstration, and the Valiahd accordingly distributed

amongst them a donation of 7 krans (2s. 4d.) per head. I warned Seyid Hashen that he must discourage the soldiers in every way and he promised to do so, but on the 22nd they sent a deputation to say that they proposed to come to the Consulate. At my urgent request, they were told to wait a few days before taking any such step.

The Valiahd became aware of what was going on in the camp and summoned me to the Palace. He appeared much agitated and begged me to do all I could to get the people away from the Consulate and induce them to open their shops. I assured His Imperial Highness that I was as anxious as himself to terminate so dangerous a situation, but it was worse than useless for me to turn them out to riot in the streets, and that they would not go of their own accord till a satisfactory answer of some sort was received from Tehran.

On the 23rd the situation seemed worse than ever. Reports came to me that the ill-feeling towards the Valiahd was increasing, and that the demonstrators were beginning to despair at receiving no replies to their telegrams to Tehran (for some reason or other none came until all was over) and were determined to proceed to any extremity rather than confess themselves beaten. Further a messenger came from the camp to say that the soldiers were on the point of starting for the Consulate, and though they were again persuaded not to do so, the very idea of 5,000 half-starved villagers who recognised neither Seyid Hashim nor me nor anything, but their empty bellies flooding the Armenian quarter in the centre of which the British Consulate is situated, was most alarming. I accordingly sounded Seyid Hashim as to his willingness to come to terms and found him quite ready to fall in with my ideas. He was evidently alarmed at the way in which the movement he had started was developing and felt that it was getting beyond his control. At the same time I did not wish to appear as the spokesman of the refugees, and felt that it would be better for any suggestion to come from the Valiahd. I accordingly wrote a private note to a friend at the Palace suggesting that he should advise the Valiahd to propose the terms I mentioned and ask me to try to secure a settlement. This he evidently did with very great tact, for when I was sent for next morning the Valiahd put forward my proposals as his own and begged me to persuade the people to open the bazaars and leave only twenty or so of their number in "bast" at the Consulate, and he added that he himself would give me his word of honour that no one should be molested for any share in the agitation. He added that I could assure the people in his name that he was not in the least opposed to the granting of a Constitution. If I could effect a settlement on these lines His Imperial Highness said I should render a great service to Persia and to himself.

I replied that I would do my utmost and had hopes of success, but that I thought that it would be necessary for me to have His Imperial Highness' assurances in writing. The Valiahd eagerly promised to embody them in a letter to me, and I returned to the Consulate, where I spent several hours in endeavouring to persuade a Committee of the refugees to accept the Valiahd's proposals. To my surprise I found the mercantile members of it much more intractable than the ecclesiastical element, but finally they agreed to accept them, with the addition of permission to illuminate the town and an undertaking from the Valiahd that he would inform the other towns of Azerbaijan of the concessions made to the people. They, however, stipulated that they should be officially informed by the Grand Vizier of the granting of the Constitution, and that a telegram to this effect should be sent to them through His Majesty's Legation. After some argument, I induced them to promise that they would be satisfied if the Grand Vizier sent the telegram direct and only notified the Legation that he had done so. The Valiahd readily accepted the fresh conditions imposed, and promised to get the Grand Vizier to send the required telegram.

We waited all next day and nothing came, and on the 26th things again looked very bad. Very violent speeches were made in the Mosque against the Valiahd, who was now practically abandoned in his Palace, and the crowd seemed to be getting out of hand and ready to proceed to any extremity. A number of the horsemen forming the Valiahd's bodyguard deserted, the telephone employés struck, and were followed by those of the electric light establishment. I therefore again entered into communication with the Valiahd, who finally undertook in the evening to procure a telegram from the Shah himself, the draft of which was approved by the Committee. He was so confident of success that he begged me to be at the Palace at 8 A.M. on the morning of Thursday, the 27th instant, to receive it.

In the evening an incident occurred which might have had very serious consequences. Seyid Hashim went round to the Mosque, and while there was set upon by some men of the Imam Juma, who had been suborned to assault if not to kill him. He only escaped by the intervention of one of my Sowars, who happened to be in the street, and who

brought him back to the Consulate unharmed but in a state of mingled trepidation and indignation. Crowds of men instantly rushed to the Consulate, some to seek refuge against the anticipated riot, others—mostly Seyids—anxious to receive orders to avenge the outrage on their leader. It was only the personal intervention of Mr. Stevens and myself, aided by the good sense of the Seyid when he recovered his self-possession, that a serious outbreak was averted.

We passed a very anxious night, and early next morning I repaired to the Palace, only to find that the promised telegram had not arrived. The Valiahd sent message after message to Tehran, and I stayed on at the Palace as I feared the impression which my return empty-handed to the Consulate would produce. It was not till past midday that the Shah's telegram was received, when armed with this and the Valiahd's letter I returned to the Consulate. The Committee made no difficulty about accepting them as sufficient satisfaction, and Seyid Hashim in a very able speech dismissed the people who went off praying and shouting to open their shops which had been closed for nine days. The Valiahd's letter and the Shah's telegram were also read to the people in the Mosque.

The town has been nightly illuminated since and the Valiahd has, I understand, kept his promise of informing the provinces. Yesterday he received most cordially a deputation which called to return thanks, and he repeated his assurance that he would do all in his power to insure the successful working of the Constitution.

The demonstration, so far as I have been able to ascertain, was the work of the Seyids, aided by a number of the younger 'ollahs, and with the countenance and pecuniary assistance of the mercantile class. The recognized Majtehids had nothing to do with its inception, though they were subsequently forced to fall into line with the rest.

The animosity displayed towards the Valiahd was one of its most striking features. His Imperial Highness is held, and I fear justly, responsible for the shocking mis-government and oppression which has been the rule under his régime. He is known to have openly expressed his disapproval of the concessions made by the Shah to the people, and is reported to have declared his intention of withdrawing them when he ascends the throne. He certainly suppressed the telegram announcing the Shah's Rescript, which was obviously intended to have been communicated to the public. He has now had his lesson and it is to be hoped that he will profit by it. He has found that it does not pay to neglect his duties, and as he is by no means devoid of ability there is some hope that he may turn over a new leaf. His Imperial Highness has repeatedly expressed his gratitude to me for my interference.

Another point which struck me was the violent anti-Russian feeling which prevailed, and his truckling to Russia was not the least of the charges brought against the Valiahd. I knew that the Russians had made themselves unpopular in this province, but I had no idea how bitterly all classes of the population detested them.

The behaviour of the people throughout was simply admirable. It is true that the Committee which seemed to be supplied with unlimited funds made regular distributions of bread and money to the poorer amongst them, but even allowing for this the absence of the slightest disorder was very remarkable.

I inclose copies of the Shah's telegram and of the Valiahd's letter to me.

I have, &c.

(Signed) A. C. WRATISLAW.

Inclosure 2 in No. 152.

Telegram from the Shah to the Valiahd.

Destikhat of the Shah.

(Translation.)

TO the inhabitants of Azerbaijan, through the Valiahd, I have granted you the National Assembly and the Regulations thereof, and let the Delegates of the city of Tabreez and the other provinces come to Tehran and set to work, and a complete pardon shall be granted to those who took refuge in the British Consulate.

Inclosure 3 in No. 152.

The Valiahd to Consul-General Wratislaw.

(Translation.)

Mr Wratislaw, Consul-General,

THE four Articles which the population demanded, I have signed, sealed, and given according to the Shah's orders. I have sent the Shah's Destikhat about establishing the Chamber and carrying out the regulation which has just reached me, so that you should give it to the population that they may all know and be grateful, and as they have agreed let them safely go and open the bazaar and pursue their business.

(Signed) Valiahd of Persia.

8th Shaban, 1324.

Article 1. On behalf of His Majesty the Shah and on my own behalf I guarantee to those who have taken refuge in the Consulate and in the Mosque that they shall be forgiven and shall suffer absolutely no molestation from the Government or others for what they have done.

(Signed by the Valiahd.)

Article 2. I confirm and will carry out the National Assembly which has been granted to the natives of Persia by His Imperial Majesty the Shah, and it shall be made known to the provinces.

(Signed by the Valiahd.)

Article 3. Every one in Tabreez and the Provinces of Azerbaijan shall illuminate in honour of the granting of the National Assembly which is the foundation of the richness and prosperity and progress of the nation.

(Signed by the Valiahd.)

Article 4. They must decide soon on the election of their Delegates, in order that the Representatives of Tabreez and of the other provinces may be named and start for Tehran.

(Signed by the Valiahd.)

These four Articles which were written are correct.

(Signed and sealed by the Valiahd.)

Thursday, 8th Shaban, 1324.

[36265]

No. 153.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 29.)

(No. 266. Confidential.)
Sir,

I HAVE the honour to transmit herewith copies of two Reports furnished by Dr. Scott, late Acting Physician of His Majesty's Legation, on the state of the Shah's health, and a copy of the latest joint report drawn up by the foreign and Persian doctors called in in consultation.

I am not competent to express an opinion on the medical details contained in these reports, but everything goes to show that His Majesty's condition is very serious, and, as I have already informed you in my account of my audience, his appearance is that of a dying man.

Intrigue is rife in the Palace, about His Majesty's health as about everything else, and I understand that the recent consultations of numerous doctors were manœuvred by high officials without giving due notice to His Majesty's usual medical attendants, and that this has created considerable friction.

The medical men are very cautious about venturing on any decided prophecy as to the probable duration of the Shah's life, but I gather that they are practically unanimous in the opinion that he cannot last more than a few months, and may collapse at any time and die in a few days.

On the other hand, Dr. Lindley, the Shah's regular doctor, while acknowledging in private that His Majesty's condition is very grave, affects in public to believe that he will recover, and that he will be able to go to Europe in the spring.

The Shah has not been told of the seriousness of his condition.

I have, &c.

(Signed) CECIL SPRING-RICE.

Inclosure 1 in No. 153.

Dr. Scott to Mr. E. Grant Duff.

Sir,

Tehran, September 26, 1906.
I HAVE the honour to inform you that a mejlis was hurriedly called to-day by the Vazir Durbar to consider the state of His Imperial Majesty's health.

This being the first occasion for a considerable number of years that a mejlis has been called, seemingly the Motamen-el-Haram and several other personal servants of His Majesty considered that he was not receiving proper treatment from his private physicians; hence the reason of the present consultation.

The following European doctors were present, viz.:

Wishard, Georges, Regling, Lindley, Scott, besides some ten native physicians, including the Alam-ed-Dowleh.

Before proceeding to see His Majesty, Dr. Lindley gave a detailed report of the various symptoms, physical signs, analysis of the urine, &c. These I have duly reported from time to time. All the European doctors were afforded an opportunity of making a brief examination, whilst His Majesty lay on a couch.

All evidence of the recent attack of hemiplegia of the left side of the body appears to have quite disappeared; the muscular movements, tactile sensation, &c., seemed to be quite good.

His Majesty walked up and down the room without any perceptible dragging of the foot; therefore we must conclude that the diagnosis of hysterical hemiplegia made at that time was correct. (See Report dated May 1906.)

A new phase of His Majesty's illness developed early in August while at Kameranieh, Dr. Lindley discovering evidence of dropsy. This was quite noticeable at the Levée held on the anniversary of his birthday, as His Majesty was unable to wear shoes.

Under appropriate treatment the dropsy has considerably lessened, but is still well marked on the dorsum of the feet and on the shin bones. Since date of mejlis it has somewhat increased. Analysis of the urine still shows the presence of albumen, hyaline tube-casts, crystals of calcium oxalate. The specific gravity is very low, as also the quantity of urea excreted.

Present Condition.—His Majesty is thin, sallow, and very anaemic. He has a depressed countenance. For some weeks he has had no appetite; is sleepless and short of breath.

He expressed himself as feeling well, but for the shortness of breath and weakness. He questioned each doctor in turn as to the result of his examination. One and all assured him that he was in the best of health; evidently this pleased him, as he gave his Persian physician a valuable diamond ring.

Three things struck me very forcibly in the course of a brief examination, viz.:

1. The marked dropsy of the feet.
2. Profound anaemia.
3. The hypertrophy of the left ventricle of the heart, the apex beat being displaced downwards and outwards.

Although the ultimate outlook, in my opinion, is grave, patients may live for years after the occurrence of dropsy. However, without wishing to be dogmatic, I do not see

how His Majesty can possibly live beyond a year, and unless there is a decided change for the better, a much less period.

I have, &c.
(Signed) JOSEPH SCOTT, M.B., C.M.

Inclosure 2 in No. 153.

Dr. Scott to Sir C. Spring-Rice.

Sir,

ON Wednesday, the 26th September, at Mr. Grant Duff's request, I wrote a short report on the health of His Imperial Majesty the Shah. Since writing the said report I have formed a better and more correct opinion, as I have seen the Shah altogether three times in conjunction with my fellow-practitioners. A combined report has been drawn up and signed by all the members of the mejlis, except Drs. Lindley and Alam-ed-Dowleh, who refused on the ground that it looked like signing the Shah's death-warrant.

I beg that part of my report relating to the hemiplegic attack be expunged, as I prefer to abide by my opinion expressed in my report of May 1906.

I have carefully examined His Majesty three times, and after deliberation and comparing notes with the others present at the mejlis, have arrived at the following conclusions:—

The final mejlis was most satisfactory, as Dr. Schneider read reports extending over the past ten years, and submitted copies of the analysis of the urine, opinions of various European doctors who had seen the Shah both here and in Europe.

His Majesty is seriously ill; he is suffering from a form of chronic Bright's disease, primarily brought on by gout, from which His Majesty has been suffering for many years.

He has also cardiac symptoms, the result of the chronic nephritis, hypertrophy, and dilatation of the left heart.

Cardio-vascular Changes.—Last winter His Majesty was stricken with hemiplegia, which his physicians diagnosed as hysterical, and treated him accordingly. I doubt the correctness of this, and on Tuesday, when His Majesty permitted a fuller examination, it was very evident that the lesion was of an organic nature, because the Babrinski sign was well marked, the left-knee jerk exaggerated, dragging of the foot, thickness of speech, &c. Most of the doctors were agreed on the point. His Majesty was predisposed to such an attack because of the nature of his illness.

His Majesty suffered from pain over the cardiac area, with angina-like symptoms. There is marked dropsy in the feet and legs, serotum, ascitis, congestion of the basis of the lungs, as evidenced by moist râles.

Retinal Changes.—None noticed when recently examined by Professor Fuchs, of Vienna, but some fifteen years ago he was for a time unable to see the sights on his gun. Urinary symptoms extending over a period of many years, presence of albumen, tube casts, uric acid, renal epithelium: these I have seen under the microscope.

In fact, His Majesty has all the symptoms of chronic nephritis.

Prognosis.—Very grave, apart from the liability in all these cases to the occurrence of sudden complications. The arterial degeneration and cardiac hypertrophy render them particularly liable to cerebral haemorrhage.

Treatment.—I need not enter into this, as a carefully drawn-up diet, based on the daily examination of the urine, has been prepared.

I have, &c.
(Signed) JOSEPH SCOTT.

Inclosure 3 in No. 153.

Joint Report by Foreign and Persian Doctors respecting the Shah's Health.

(Très confidentiel.)

LES médecins soussignés, réunis en consultation le 1^{er} Octobre, 1906, après avoir examiné avec soin Sa Majesté Impériale le Schah, et s'être fait lire les différents documents et analyses concernant Son Auguste Sain', depuis onze ans, sont d'avis:—

Diagnostic.

Reins.—Ils sont atteints de néphrite chronique à prédominance intersticielle, secondaire à la goutte héréditaire et de manifestations très anciennes et aggravées par le traumatisme résultant du passage constant de cristaux d'acide urique et même accidentellement de calculs assez volumineux.

Cœur.—Il présente une hypertrophie et une dilatation considérables consécutives à son surmenage, par suite de la maladie des reins. Il existe de l'artérite-sclérose avec hypertension artérielle qui cause beaucoup d'oppression. L'œdème qui aurait débuté il y a quinze jours, occupe actuellement les deux membres inférieurs, le scrotum, le péritone (ascite). Aux deux bases des poumons on constate quelques râles sous-crépitanls.

Système nerveux.

Une hémiplégie gauche complète (face comprise), avec troubles de la parole, est survenue il y a cinq mois. Actuellement on constate, la force est revenue presque intégralement dans les membres. Il existe encore un peu de parésie de la face. La démarche se fait en fauchant. Il n'y a pas de troubles sensitifs. La réflexe rotulienne est exagérée. Le signe de Babrinski est positif, ce qui prouve la nature organique de la lésion.

Pronostic.

L'état de Sa Majesté est grave, mais en raison de la résistance de Sa Majesté il est à espérer qu'avec un traitement et un régime appropriés, une amélioration et une survie notables pourront être obtenues.

Téhéran, le 1^{er} Octobre, 1906.

Ont signé M.M. les Drs. Schneider, Wishard, Sadovsky, Scott, Georges, Regling. Ont approuvé le diagnostic et le pronostic pendant la consultation, M.M. les Drs. Hakim-ul-Mulk, Nazim-ul-Ataba, Bagher Khan, Mondeb-ed-Dowleh.

Ont refusé de prendre part à la rédaction de ce procès-verbal et de le signer, M.M. les Drs. Alam-ed-Dowleh et Lindley.

Ils se sont contentés de signer la consultation bénigne et consolante, destinée à Sa Majesté Impériale le Schah.

[36267]

No. 154

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 29.)
(No. 268.)

Sir,

I HAVE the honour to transmit herewith the monthly summary of events in Persia not recorded in separate despatches.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure in No. 154.

Monthly Summary of Events in Persia, October 11, 1906.

Téhéran.

SIR CECIL SPRING-RICE arrived at Téhéran on the 1st instant, and was received in audience by the Shah on the 4th instant. Mr. Grant Duff took leave of His Majesty at the same time and left for England on the 6th instant. Mr. Marling arrived at Téhéran a few days before His Majesty's Minister.

2. Vézir Makhsous, C.M.G., who lately acted as Deputy Governor of Fars, has been appointed Governor of Téhéran, in the place of his Highness Nayer-ed-Dowleh, who, on

retiring from the post, received the Order of "Kods." The Sadr Azam received the same decoration at the end of September, and the Shah has also conferred the Order on Vezir Durbar. The Order ranks after that of "Akdass," which is the highest in the Shah's gift. Mushir-es-Sultaneh has succeeded Nizam-ul-Mulk as Minister of Justice.

3. The opening of the National Assembly was inaugurated on the 7th instant by the Shah in person and an Imperial address was read. The Tehran Deputies, sixty-four in number, have been elected, and a President, Vice-President, and clerks have been chosen. This has been reported upon fully in a separate despatch.

4. The Shah's health is giving much anxiety and several consultations have been held during the last few days. The doctors consider His Majesty's condition extremely critical. Full particulars have been given on this subject in a separate despatch.

Mesched.

1. Referring to paragraph 4, p. 4, of the Monthly Summary for July last, with respect to the unsatisfactory dealings of Baron Staudach, who was then in charge of the Customs at Birjand, information has reached us from Mesched that M. Cesari has been appointed to succeed him.

2. His Majesty's Legation heard from a secret source that the Russian Legation were pressing for the dismissal of the Governor-General of Khorassan. It would appear from the reports which have reached us from Mesched that the advent to power of the Mushir-ed-Dowleh had somewhat shaken the position of the Governor-General. It would not be surprising if the ex-Governor of Tehran, his Highness Nayer-ed-Dowleh, were soon appointed to succeed him. Negotiations are said to be actually in progress.

3. An attempt was made between the 15th and 20th September to induce the clergy of Mesched to emulate the doings of their brethren at Tehran, but apparently without success. The date curiously coincides with the period chosen by the agitators at Tabreez and Resht, and everything points to a concerted movement in the northern provinces, directed from Tehran, to strengthen the hands of the leaders of the reform movement.

Turbat-i-Haideri.

Captain Keyes reports under date of the 11th September that the Governor informed him that Captain Iyass had several times threatened that he would have him and his brother dismissed if they continued on such friendly terms with the British Consul. Captain Iyass gave him a long list of officials who had been dismissed for a similar offence, ending with the Armenian telegraphist at Mesched, and said that if the Governor-General of Khorassan was not careful he would share their fate.

Birjand.

1. Captain Watson, I.M.S., is still at Birjand, and holds the rank of Vice-Consul while watching British interests there in connection with the quarantine establishment. Captain Watson continues to press for the removal of the quarantine, which he considers quite useless. The Persian Government has been urged to abolish the post, in view of the opinion of the people on the spot.

Seistan.

1. The Persian Commissioner sent to investigate the circumstances connected with the disturbances of last March, in the course of his inquiries, examined three of the ringleaders, who are apparently notorious Russian agents. In consequence of the evidence which came out on that occasion, the Russian Consul protested to His Majesty's Acting Consul against what he described as a "shameful imputation." A good deal of correspondence ensued, but the matter has apparently now been allowed to drop.

2. A party of about fifty Persian soldiers have been sent from Seistan to Kuh Malek Siah, and the move is considered to be the direct result of the recent importation by us of arms for the protection of the Seistan Consulate.

3. The plague has now entirely disappeared from Seistan, and it remains to be seen whether it will return with the cold weather as in India. There has not been a single case since the 20th August.

Shiraz.

1. Prince Shoa-es-Sultaneh continues to intrigue through his agents in Fars in order to throw discredit on the Governor-General. The result has been a grave rerudescence of highway robbery both to the north and to the south of Shiraz. The Governor-General has had a great deal of trouble as was expected, and as he did not consider that the Grand Vizier was giving him sufficient support against the Prince Shoa-es-Sultaneh, he even seriously considered the necessity of resigning. His Majesty's Minister hears, however, that he is now receiving adequate support.

2. The Karguzar, or Foreign Office Agent, has given His Majesty's Consul serious cause for complaint, and the desirability of removing him from Shiraz has been discussed.

3. It is reported that 350 mule loads of military stores have passed through on their way from Isfahan to Bushire.

Isfahan.

1. The Zil-es-Sultan again talks of going to Europe, but difficulties have arisen, and the project has been abandoned.

2. Agha Nejefi, the great Mujtahed, threatened an anti-Armenian outbreak at Isfahan in retaliation for events in the Caucasus, and steps are being taken to check his fanatical ardour. He was nearly murdered a few weeks ago by an unknown person, who escaped arrest.

3. The Zil-es-Sultan has on several occasions stated in public that the Russian Consul had written to himself and to Agha Nejefi to say that the settlement of the Tehran affair was due to the Russian Legation.

Yezd.

Mr. Vice-Consul Baggaley reports that the Yezd-Tehran and Yezd-Mesched routes are again infested by robbers.

Kermanshah.

The eastern Turkish frontier is as usual in a state of chronic disturbance. The town of Kermanshah is comparatively quiet, though there is discontent owing to the high price of bread. The Turkish subjects have taken sanctuary at the telegraph office in protest against their Consul-General.

Hamadan.

The Governor, who is Hereditary Lord Chamberlain, and the chief of a sect known as "Dervishes," which is somewhat akin to a secret society, has made an entirely new departure in the Province of Hamadan. He is said to have called together the principal landowners and heads of the district, and to have formed a Council for the purpose of governing the province with their aid. He is, in fact, reported to have transferred the whole administration of the province to this body of advisers, retaining only the executive power in his own hands. This innovation has given much pleasure to the Reform party in Tehran.

Tabreez.

The movement, which began in the capital of Azerbaijan between the 18th and 20th September, in sympathy with the Tehran reform agitation, has been reported upon fully in a separate despatch. The refugees at His Majesty's Consulate-General, who numbered 1,000 persons on the 20th September, increased to 6,000 by the 22nd, and caused serious damage to the premises and garden. The Valiahd, who at first seemed disposed to show opposition to the grant of a National Assembly, eventually was induced to endorse the Shah's grant, and the people left the Consulate-General. At one time there was danger of the troops joining the refugees.

Resht.

A similar movement as the one described above occurred almost simultaneously at Resht. Mr. Churchill, Acting Oriental Secretary, who went to Resht to meet His Majesty's Minister, found over 200 persons at the Consulate on the 22nd instant. He interviewed the principal movers, and with the aid of the Minister's Assistant Mehandar, explained to them what had been done in Tehran, and after receiving an assurance that they ran no danger of molestation on leaving His Majesty's Consulate, they dispersed the same evening.

The Manager of the Imperial Bank of Persia at Resht has been Acting Vice-Consul up till now. Mr. H. L. Rabino has been appointed salaried Vice-Consul, and will arrive at his post in a day or two. Mr. Rabino is the son of the Chief Manager of the Imperial Bank of Persia, and did good work at Kermanshah while Acting Consul there a year or two ago.

A list of the principal Ministers and Governors is appended for convenience of reference:—

Principal Ministers, &c.

Prime Minister	His Highness	Mushir-ed-Dowleh.
Minister for Foreign Affairs	His Highness	Ala-es-Sultaneh, G.C.V.O.
War	His Imperial Highness	Naib-es-Sultaneh.
Interior	His Excellency	Majd-ul-Mulk.
Justice	His Excellency	Mushir-es-Sultaneh.
Court	His Excellency	Vezir Durbar.
Finance	His Excellency	Naser-ul-Mulk, G.C.M.G.
Commerce	His Excellency	Seif-ed-Dowleh.
Customs and Posts	His Excellency	M. Nas.
Telegraphs	His Excellency	Sepahdar.
Education	His Excellency	Ala-ul-Mulk.
Mines	His Excellency	Mohandis-ul-Mamalek.
Master of Ceremonies	His Excellency	Zahir-ed-Dowleh.
Horse	His Highness	Azad-ed-Dowleh.
Household	His Excellency	Hajib-ed-Dowleh.
Keeper of Robes	His Excellency	Muvassak-ul-Mulk.
Privy Purse	His Excellency	Vezir Durbar.
Chief Steward	His Highness	Muvassak-ed-Dowleh.

Principal Governors.

Azerbaijan	His Imperial Highness	the Valiahd.
Fars	His Excellency	Ala-ed-Dowleh.
Khorassan	His Excellency	Assef-ed-Dowleh.
Kerman	His Highness	Firman Firma.
Arabistan	His Imperial Highness	Salar-ed-Dowleh.
Luristan	His Excellency	Sirdar Mukarrem.
Isfahan	His Imperial Highness	Zil-es-Sultan.
Yezd	His Excellency	Vezir Afkham.
Hamadan	His Excellency	Zahir-ed-Dowleh.
Kermanshah	His Excellency	Amir Afkham.
Ghilan	His Excellency	Vezir Akrem.
Mazanderan	His Highness	Muvassak-ed-Dowleh.
Gulf Ports	His Excellency	Larya Beggi.
Tehran	His Excellency	Vezir Makhsoos.
Kurdistan	His Excellency	Vezir Homayoon.
Kazvin	His Excellency	Sidk-ed-Dowleh.
Kou	His Excellency	Motamed Khaghan.
Zenjan	His Excellency	Nayer-ul-Mamalek.
Sistanabad	His Excellency	Fakhr-ul-Mulk.

(Signed) E. P. CHURCHILL,
Acting Oriental Secretary.

List of Separate Despatches.

No.	Date.	Subject.
241 (Secret) ..	September 13	Turkish frontier.
243 ..	" 14	Bakhtiari Road.
246 ..	" 26	Cossack Brigade.
247 ..	" 26	Bahrein.
248 ..	" 28	Soldiers at Kuh Malek Siah.
249 ..	" 30	Colonel Douglas (appreciation of services).
250 ..	" 30	Shiraz and Tabreez.
252 ..	October 6	The Valiahd.
254 ..	" 6	Importation of arms.
255 ..	" 6	Mesched-Seistan line.
256 ..	" 7	His Majesty's Minister's audience.
257 ..	" 7	Anglo-Russian relations.
258 ..	" 7	Ditto.
259 ..	" 7	Ditto.
260 ..	" 7	Bakhtiari doctor.
261 ..	" 7	National Assembly.
263 ..	" 7	Reform movement at Resht.
264 ..	" 11	Integrity of Persia.
265 ..	" 11	Reform movement at Tabreez.
266 ..	" 11	Shah's health.
30 (Commercial) ..	" 6	Plague.
31 ..	" 7	Commercial Mission.

[36317]

No. 155.

Sir A. Nicolson to Sir Edward Grey.—(Received October 29.)

(No. 694. Confidential.)

Sir,

St. Petersburg, October 15, 1906.

THE French Minister, M. Boutiron, inquired of me the day before yesterday whether my discussions with M. Isvolsky were making any progress. I told him, in confidence, that the two Governments would shortly make a small advance in common to relieve the most pressing necessities of the Persian Government, and that M. Isvolsky and myself were still engaged in discussing the broad outlines of a future agreement. I did not go into any details with M. Boutiron, nor give him any indication of the points which were at present under treatment, but I said that I anticipated that later on the military party would place considerable difficulties in the way of a satisfactory arrangement. I added that I was sure that M. Isvolsky would do his best to overcome any such difficulties, but that I was unaware whether his influence and position were sufficiently strong to enable him to meet with success. In any case, I expected that the negotiations would be protracted.

M. Boutiron remarked that he had some doubts as to whether the present occupants of the Russian and French Legations at Tehran would facilitate the negotiations. The French Minister should, in his opinion, naturally play a secondary part at Tehran, and confine himself to a benevolent and conciliatory interest in the *rapprochement* between the two countries, but he feared that M. Descos, who was an ambitious and active man, might be disinclined to assume so modest a part. I said that I had known M. Descos in Morocco, when he was Secretary of Legation, and that at that period, which was prior to the Anglo-French Agreement, he had led an active campaign against England during a lengthy sojourn he had made at Fez. This attitude on the part of M. Descos was, however, quite natural, and no exception could be taken to it, and I presumed he would receive instructions to follow a different course in present circumstances.

M. Boutiron went on to say that M. Hartwig had been imbued with the old traditions prevalent at the Ministry here, and that his views on the Persian question were probably divergent from those held by his Chief, and that possibly with his greater knowledge of the details of the questions, he might exercise an influence on M. Isvolsky which would hamper a smooth course of the negotiations. He asked me if I had observed any "German tendencies" on the part of M. Isvolsky. I replied that hitherto I had not, but it would be foolish to imagine that Germany would view with complete satisfaction the conclusion of a durable understanding between England and Russia.

M. Boutiron said that, before returning to St. Petersburg, M. Isvolsky would pay [1682]

a visit to Paris, where he would see the President and M. Bourgeois, and that he would naturally make a halt at Berlin, where probably he would have an audience of the Emperor, to whom he was a *persona gratissima*, and also see Prince Bülow. I remarked that it would be of interest to observe what impression these visits would leave on the mind of M. Isvolsky when he returned here.

I have, &c.
(Signed) A. NICOLSON.

[36322]

No. 156.

Sir A. Nicolson to Sir Edward Grey.—(Received October 29.)

(No. 699.)

St. Petersburg, October 19, 1906.

Sir, I CALLED on M. Goubastoff, the Assistant Minister for Foreign Affairs, this afternoon, and said that I wished to speak to him in regard to the terms on which our joint advance was to be made to the Persian Government. I believed that both the Representatives at Tehran were of opinion that the conditions should not be too onerous on Persia, and it seemed to my Government that a rate of interest at 5 per cent. would be sufficient. This was, I understood, the rate of interest charged on the Russian loans, and we might adopt it in the present instance. M. Goubastoff observed that the question was in reality one for the Minister of Finance to decide, and that he believed that the Persian Government were ready to accept a rate of 9 per cent., which was below the normal rate of interest in Persia. He thought that it would be better to maintain the above-mentioned rate. I pointed out to M. Goubastoff that possibly if we insisted on too high a rate the Persian Government might endeavour to obtain easier terms from the newly-created German Bank. This his Excellency considered as highly improbable. After some further conversation I suggested that we should split the difference, and adopt 7 per cent. as the rate of interest. M. Goubastoff asked if I were authorized to accept that rate, and I told him that such was the case, though my Government considered that 5 per cent. was more reasonable. M. Goubastoff said that he would speak to the Minister of Finance and let me know his reply.

I then alluded to the date of repayment, and said that it was out of the question to imagine that the Persian Government would be in a position to reimburse us for our advance at so early a date as the middle of next March, and that it would be far better to leave the date on which repayment should be made quite open; in fact, no date should be fixed. It would always be possible for the two Governments, after giving timely notice, say three or six months, to the Persian Government to demand repayment of the advance, and we would thus be at liberty to choose our own time for doing so. M. Goubastoff readily agreed to this view, and said that we would ask the Minister of Finance for his assent, always on the understanding that, after a preliminary notice of a few months, the demand for repayment should be made. I begged M. Goubastoff to give me a definite reply on the two above-mentioned points with as little delay as possible.

I have, &c.
(Signed) A. NICOLSON.

[36324]

No. 157.

Sir A. Nicolson to Sir Edward Grey.—(Received October 29.)

(No. 701.)

St. Petersburg, October 19, 1906.

Sir, I INQUIRED of M. Goubastoff this afternoon whether he had received from the Russian Minister at Tehran any suggestion that some statement should be published to the effect that the object of our negotiations with regard to Persia was chiefly to strengthen the independence and integrity of that country. His Excellency replied that he had received no information in regard to such a proposal, and seemed a little puzzled as to the drift of my inquiry. I explained to him what had been reported by Sir C. Spring-Rice as the result of a conversation which he had held with M. Hartwig on the subject, and I thought that the latter might have mentioned the matter to the Ministry for Foreign Affairs.

I said that my Government had made no comments on the communication from His Majesty's Minister, so that I was unaware what were your views, but apart from local considerations, to which undoubtedly weight should be given, it seemed to me, as a matter of personal opinion, that the less public reference that was made to our negotiations the better it would be. I understood that both His Majesty's Government and the Russian Government had given assurances in the sense desired to the Persian Government, and I thought that there the matter might be allowed to rest. At the present stage of our negotiations it was, to my mind, undesirable to draw public attention to them, but I should be glad to hear his views on the question.

M. Goubastoff said that he agreed with me that as little publicity as possible should be given to our negotiations, though, if the Persian Government desired to reassure the public, they might be permitted to make the statement in the manner they considered to be the most appropriate.

I have, &c.
(Signed) A. NICOLSON.

[36325]

No. 158.

Sir A. Nicolson to Sir Edward Grey.—(Received October 29.)

(No. 702.)

Sir,

I SPOKE to M. Goubastoff yesterday in regard to the measures which were being taken by the Turkish authorities on the Turco-Persian frontier, and I inquired of him whether he had dispatched the instructions to Constantinople which had been suggested by His Majesty's Government, and which I had consigned in a Memorandum handed in by me on the 12th instant.

His Excellency said that instructions had been dispatched, but he did not seem quite sure as to what steps the Russian Ambassador at Constantinople had taken in the matter. I telegraphed the substance of the above to you in my telegram No. 271, and on receipt this morning of your telegram No. 411, I wrote a private letter to M. Goubastoff saying that I hoped I had not misunderstood him, and that there was no doubt as to the Russian Ambassador being in possession of the necessary instructions, as my Government proposed to instruct His Majesty's Chargé d'Affaires to act accordingly. M. Goubastoff replied that he must rectify the information which he gave me yesterday, as no instructions had been sent as yet to M. Zinoview, and that when a decision had been arrived at in the matter he would not fail to let me know.

I have written again to M. Goubastoff requesting him to hasten a decision, as affairs on the frontier might become critical, and further delay might have regrettable consequences. I will see him again to-morrow or next day and do my best to expedite matters, but the absence of M. Isvolsky delays the transaction of all business.

I have, &c.
(Signed) A. NICOLSON.

[36329]

No. 159.

Sir A. Nicolson to Sir Edward Grey.—(Received October 29.)

(No. 706.)

Sir,

I HAVE the honour to transmit herewith copy of a Memorandum which M. Goubastoff left with me yesterday afternoon in regard to the joint advance to be made to the Persian Government.

I telegraphed the substance of this document to you in my telegram No. 275 of yesterday's date.

I have, &c.
(Signed) A. NICOLSON.

Inclosure in No. 159.

Memorandum communicated by Count Goubastoff to Sir A. Nicolson.

A LA suite de la communication verbale de son Excellence Sir Arthur Nicolson en date du 6 (19) Octobre, le Ministère des Affaires Etrangères s'empresse d'informer l'Ambassade Britannique que le Gouvernement Impérial ne voit pas d'inconvénient à fixer le taux de la somme qui doit être versée actuellement à la Perse à 7 pour cent, ainsi qu'à notifier au Gouvernement du Schah que la Grande-Bretagne et la Russie, sans indiquer dès à présent le terme de l'amortissement de l'emprunt en question, se réservent le droit de prévenir le Gouvernement Persan, trois ou quatre mois d'avance, de la date à laquelle l'amortissement devra s'effectuer.

Toutefois, la fixation du taux ci-dessus à 7 pour cent ne serait en rien préjuger du taux qui serait établi pour l'emprunt à venir.

Ministère des Affaires Etrangères,
le 8 (21) Octobre, 1906.

[36332]

No. 160.

Sir A. Nicolson to Sir Edward Grey.—(Received October 29.)

(No. 709.)
Sir,

I HAVE the honour to inclose copy of a Memorandum which I have received from the Ministry for Foreign Affairs, stating that instructions have been sent to the Russian Ambassador at Constantinople, in the sense of your telegram No. 399 of the 11th instant, regarding the steps which should be taken by the British and Russian Embassies in reference to the difficulties which have arisen on the Turco-Persian frontier question.

I have, &c.
(Signed) A. NICOLSON.

Inclosure in No. 160.

Aide-Mémoire.

PAR un télégramme en date de ce jour le Ministère Impérial des Affaires Etrangères a invité l'Ambassadeur de Russie à Constantinople à faire savoir à son collègue d'Angleterre que le Gouvernement Russe est prêt à proposer à la Sublime Porte sa médiation dans la forme recommandée par Sir Edward Grey.

M. Zinoview est chargé de se mettre en rapports avec le Représentant d'Angleterre à Constantinople afin de régler les détails de la marche projetée.

Saint-Pétersbourg, le 9 (22) Octobre, 1906.

[36335]

No. 161

Sir A. Nicolson to Sir Edward Grey.—(Received October 29.)

(No. 712.)
Sir,

WITH reference to my despatch, No. 706 of the 22nd instant, I have the honour to transmit herewith copies of a correspondence which has passed between M. Goubastoff and myself relative to the instructions to be sent to the Russian and British Representatives at Tehran in respect to the joint advance to be made to the Persian Government.

You will observe that M. Goubastoff states that instructions were sent to M. Hartwig on the 21st instant, and I was perplexed to receive Sir C. Spring-Rice's telegram No. 302 of yesterday's date stating that his Russian colleague was still awaiting orders. I have consequently telegraphed to you to-day giving the date on

which the instructions were despatched to the Russian Minister, and will await a further communication from you before addressing myself again to M. Goubastoff.

I have, &c.
(Signed) A. NICOLSON.

Inclosure 1 in No. 161.

Sir A. Nicolson to M. Goubastoff.

Cher M. Goubastoff,

Saint-Pétersbourg, ce 10 (23) Octobre, 1906.
MON Gouvernement me télégraphie que notre Ministre à Téhéran sera autorisé à faire l'avance au Gouvernement Persan sous les conditions mentionnées dans votre notice du 8 (21) Octobre aussitôt que son collègue de Russie est également autorisé, et aussitôt que les deux Représentants sont satisfaits que l'argent sera affecté aux besoins pour lesquels l'avance est faite.

Sans doute vous avez déjà envoyé des instructions à M. Hartwig dans ce sens ?
Veuillez, &c.

(Signed) A. NICOLSON.

Inclosure 2 in No. 161.

M. Goubastoff to Sir A. Nicolson.

M. l'Ambassadeur,

Ce Mardi, le 10 (23) Octobre, 1906.
EN réponse à votre lettre, je m'empresse de vous informer que notre Ministre à Téhéran est muni d'instructions au sujet de l'avance de fonds à faire au Gouvernement Persan depuis Dimanche, le 8 (21) Octobre.

Je sais, &c.
(Signed) GOUBASTOFF.

[36484]

No. 162.

The Imperial Bank of Persia to Foreign Office.—(Received October 29.)

Sir,

25, Abchurch Lane, London, October 27, 1906.
I HAVE the honour to acknowledge the receipt yesterday morning of your letter dated the 25th instant, and telegraphic instructions were immediately sent to the Chief Manager of the Bank in Tehran, authorizing him to sign the loan contract.

I am, &c.
(Signed) G. NEWELL.

[36554]

No. 163.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 29.)

(No. 319. Secret.)
(Telegraphic.) P.

Tehran, October 29, 1906.

I HAVE received the following message from the highest authority :—

" Persian Government are most anxious that the consent of the Russian Government should be obtained by His Majesty's Government to the amendment in the loan contract proposed by the latter, whereby Persia is to obtain a year's grace.

" If repayment of present advance is not insisted on for a year and a-half, the Persian Government can get on without a large loan. If, on the other hand, repayment is demanded, there is reasonable ground for fearing that Russia will renew the offer which was refused by the late Grand Vizier. This offer was made since the arrival of M. Hartwig as Russian Minister, and was for a large loan to be advanced on condition that Persia should undertake to take no action, and not to grant any concession detri-

mental to Russian interests, and not to enter into any engagements without Russia's permission.

"If such conditions are insisted upon now, the present Grand Vizier will tender his resignation, and be succeeded by the Amin-us-Sultan, who will be supported by Russia on the understanding that he accepts her terms."

[36236]

No. 164.

Sir Edward Grey to Sir A. Nicolson.

(No. 425.)

(Telegraphic.) P.

Foreign Office, October 29, 1906.

JOINT advance to Persia.

You should ask the Russian Government if they agree to the addition to Article 5 of the contract, which the Persian Government have asked for (see telegram No. 314 of the 27th instant from Tehran).

His Majesty's Government do not object to it.

[36237]

No. 165.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 196.)

(Telegraphic.) P.

Foreign Office, October 29, 1906.

ADVANCE to the Valiahd.

With reference to your telegram No. 315 of the 27th instant.

It is for the present unnecessary to mention this matter to the Bank. It is, of course, out of the question that we should give money to the Valiahd while the Shah still lives.

[36588]

No. 166.

Mr. G. Barclay to Sir Edward Grey.—(Received October 30.)

(No. 719.)

Sir,

REFERRING to my telegram of yesterday respecting the Turco-Persian frontier, I have the honour to report that on calling upon the Russian Ambassador yesterday afternoon I found that his Excellency's instructions differed from my own as regards the verbal communication to be made to the Grand Vizier in that he was not authorized to include in his representations the second part of the communication proposed by His Majesty's Government, the wording of which would seem to imply that we regard the Turkish claim to the River Lahan as a frontier as a not unreasonable basis for a settlement. I could not agree to this omission, which would naturally render our representations less palatable to Turkey, and thus materially alter the character of our communication, and we therefore decided to refer to our respective Governments for further instructions.

I should mention that the Persian Ambassador has never been able to give me the exact course of the Lahan River, but a day or two ago the Grand Vizier spoke to me of the river frontier claimed by the Turkish Commissioner as 3 or 4 kilom. west of Pasova. This made me doubt whether the Lahan River could properly be described as near the middle of the disputed zone. The Anglo-Russian frontier map, which I have hitherto been consulting, gives no names to the two rivers which join at latitude 36° 39', and then flow in a southerly direction under the name Lavene, and having noticed that in Colonel Maunsell's map the more easterly of these two rivers, which flows quite near to Pasova, goes by the name of Leuven, I was led to the conclusion that the latter was the river proposed as frontier by the Ottoman Commissioner. I find this morning that the map I have been consulting is on a reduced scale, and that the larger map gives the more westerly of the two rivers quite clearly as the Lavene, and this river may truly be said to be near the middle of the zone. But, whatever the names of the two rivers, I think there can be very little

doubt that it is the more easterly of the two which Turkey is claiming as the frontier in the neighbourhood of Pasova.

I inclose the wording of the communication to the Grand Vizier which M. Zinoview proposed to me yesterday.

I have, &c.
(Signed) G. BARCLAY.

Inclosure in No. 166.

TURCO-PERSIAN FRONTIER.

Wording of Communication to be made verbally to the Grand Vizier by the Russian and British Representatives in Constantinople, proposed by the Russian Ambassador.

IL y a à peu près une année qu'un différend a surgi entre la Turquie et la Perse à la suite de l'occupation par des troupes Ottomanes des localités qui depuis quelque temps formaient un objet de contestation entre ces deux Puissances, Végné et Lahidjan, ainsi que de Pesvé, qui est indubitablement situé sur le territoire Persan.

Les Représentants des deux Puissances médiatrices, la Russie et l'Angleterre, ont été à plus d'une reprise chargés par leurs Gouvernements respectifs de recommander aux deux Puissances Musulmanes de s'entendre sur une ligne de frontière à fixer dans ces parages.

Des Commissaires Ottomans et Persans ont été envoyés dans ce but sur les lieux ; mais, ainsi qu'il résulte d'informations parvenues tout récemment aux Cabinets de Saint-Pétersbourg et de Londres, les négociations entre les dits Commissaires n'ont point abouti et le différend risque de se compliquer.

Dans cet état de choses le Gouvernement Persan a cru devoir intervenir auprès des dits Cabinets pour les prier de proposer à la Sublime Porte de recourir aux bons offices des Puissances médiatrices pour la solution du différend en question.

Étant animés du désir de contribuer à une solution équitable des contestations pendantes, ainsi qu'au rétablissement des rapports de bon voisinage entre les deux Puissances Musulmanes, les Gouvernements de Russie et d'Angleterre ont jugé utile de charger leurs Représentants à Constantinople de porter la proposition ci-dessus exposée à la connaissance du Gouvernement Impérial Ottoman.

En s'acquittant de ces ordres l'Ambassadeur de Russie et le Chargé d'Affaires d'Angleterre se plaisent à espérer que, confiante dans les sentiments d'impartialité qui unissent les deux Puissances médiatrices, la Sublime Porte n'hésitera pas à adhérer à la proposition ci-dessus exposée.

[36613]

No. 167.

The Euphrates and Tigris Steam Navigation Company to Foreign Office.—(Received October 30.)

3, Salters' Hall Court, London,
October 29, 1906.

Sir,

I HAVE the honour to acknowledge the receipt of your communication of the 19th instant, inclosing copies of despatches from Mr. Grant Duff and Consul McDouall on the subject of the navigation of the Karun.

By direction of my Board I have inquired whether there is any truth in the statement, reported by Consul McDouall as having been made to him by the Mouin-el-Tejar, and transmitted by Consul McDouall to the Foreign Office, to the effect that the Mouin had endeavoured to come to terms with Messrs. Lynch in respect of his enterprises on the Karun, making a final and unsuccessful attempt to do so in December 1905 with the assistance of Colonel Picot. I have ascertained that the facts are exactly contrary to those transmitted by Consul McDouall. For many years past this Company has been anxious to come to terms with the Mouin-el-Tejar, and in July 1905 one of its Directors, Colonel Picot, went to Paris with the object of endeavouring to arrive at an agreement with the Mouin and with the Persian Prime Minister, both of whom were then in Paris, in the matter. The terms of a possible arrangement were very fully discussed between Colonel Picot and the Mouin, but the Mouin stated that he did not dare to address the

Prime Minister on the subject as there was a clause in his Concession prohibiting its transfer to foreigners, and the moment did not appear to him opportune to press for its revision. He added that were he to make overtures in this direction he would be likely to get into trouble. Under these circumstances Colonel Picot did not approach the Prime Minister. The Mouin, however, suggested that, as he was shortly coming to London, he should confer with the Chairman of the Company and endeavour to conclude an Agreement between the Company and himself. He would then wait for a favourable moment to obtain ratification by the Persian Government. In response to this suggestion an interview was arranged, and took place between the Chairman, Colonel Picot, and the Mouin on the 21st September, 1905. Two hours and a-half were spent in discussing the terms of a draft Agreement which had been got out. At the end of this time, when it was put to the Mouin whether, supposing the Company were prepared to concede his terms, he would be willing to sign an Agreement to take effect when the consent of the Persian Government had been obtained, the Mouin stated that he would certainly not be able to do so, because the Persian Government would resent his signing or in any way signifying his approval. It then became obvious that the Mouin was not serious, and had merely come to gain information. It will thus be seen that it was this Company and not the Mouin who did their utmost to come to an arrangement, and that the Mouin definitely refused either to sign or in any way signify his approval of any Agreement between the Company and himself, even on the condition that it expressly should be stated in the Agreement that it should not come into force until the consent of the Persian Government had been obtained.

With reference to the present position on the Karun, my Directors have the honour to request that instructions may be sent to His Majesty's Consular Representatives in the Karun regions to use their best endeavours to secure perfectly even treatment by the Sheikh of Mohammerah and by the Persian officials of their steamers and of that of the Mouin. The attitude of the Sheikh of Mohammerah should, it appears to my Directors, be carefully watched, in view of the fact that his man of business, the Rais-el-Tejar, is either directly or indirectly concerned in the Mouin's operations, though under agreement with this Company to promote none but their interests, in return for which he has been in receipt of payment for many years.

Lastly, with regard to the statement of Consul McDouall that the Mouin has been endeavouring to find a suitable vessel to run on the Upper Karun, my Directors are communicating with the Directors of the Persian Transport Company, who have taken over the steamer "Shushan."

I have, &c.
(Signed) H. W. MACLEAN, Secretary.

[36614] No. 168.

The Persian Transport Company to Foreign Office.—(Received October 30.)

Sir,
3, Salter's Hall Court, Cannon Street, London,
October 29, 1906.

I AM directed by my Board to inform you that they have received from the Euphrates and Tigris Steam Navigation Company a copy of a despatch from Consul McDouall, communicated through the Foreign Office.

In this despatch Consul McDouall states that the Mouin-el-Tejar has been trying to buy a suitable vessel to run on the Upper Karun. Our information is to the effect that he is in treaty with certain Turkish subjects to run their steamer the "Dijleh" on the Upper Karun for their account, in consideration of a commission to him on the earnings. It may be noted that a year ago the Mouin declined to treat with the Euphrates and Tigris Company, on the ground that the Persian Government would not permit a foreign subject to be associated with him in his concession.

My Directors would feel obliged if, under the circumstances, His Majesty's Government would direct the attention of the Persian Government to the fact that a considerable debt, now exceeding 21,700*l.*, has accumulated on the working of the "Shushan" on behalf of the Persian Government, who undertook, when the vessel was presented to them, that she should maintain a regular and uninterrupted service in connection with the steamers of the Euphrates and Tigris Company on the Lower Karun. If the Persian Government sanctions competition with their own steamer, it

will obviously be impossible to pay off the debt out of earnings in the future, and this Company would be obliged to press for liquidation of past disbursements.

I have, &c.
(Signed) H. W. MACLEAN (for Secretary).

[35681]

No. 169

Memorandum communicated to the Persian Chargé d'Affaires, October 30, 1906.

ON the 19th instant the Persian Chargé d'Affaires made a communication respecting the attacks on the British Consulate at Seistan, and the consequent importation of arms for the protection of the Consulate buildings and staff.

Sir E. Grey is unable to believe the serious allegations which have been made by the Persian Government in regard to the conduct of the British quarantine inspectors, and he is surprised that such accusations should have been brought against British officials by the late Persian Minister in London.

As regards the actual importation of arms—which is only forbidden in Persia for fear that they should reach the tribes, of which, in this case, there could be no question—it had become evident, as two attacks had been made on His Majesty's Consulate during the past two years, that the Persian Government were unable to provide the requisite protection.

It was therefore decided to send a certain number of rifles to the Consulate for the proper defence of its members, and as the Persian Government had on a previous occasion refused permission to import arms for a similar purpose, it was felt that neither the impotence of the Persian Government to afford protection, nor their refusal to allow the importation of a small number of rifles, should be allowed to endanger the Consulate, and the arms were consequently brought in.

Foreign Office, October 30, 1906.

[36666]

No. 170.

Mr. G. Barclay to Sir Edward Grey.—(Received October 30.)
(No. 206.)
(Telegraphic.) P.

Constantinople, October 30, 1906.

WITH reference to your telegram No. 399 to His Majesty's Representative at St. Petersburg on the subject of the Turco-Persian frontier, I to-day spoke in the sense of the first paragraph of that telegram to the Grand Vizier. Subsequently the First Dragoman of the Russian Embassy, on behalf of his Ambassador, made a similar verbal communication to his Highness.

I was informed by the Grand Vizier that the negotiations would be continued, as the Persian Government, with a view to coming to terms, had now instructed their Commissioner to make a counter-proposal. Until he knew the nature of this counter-proposal he could not give me an answer. I observed no signs of unwillingness on his Highness's part to have recourse to the good offices of the two mediating Powers in the event of the two Mahomedan Powers failing by themselves to reach an agreement. Later I saw the Minister for Foreign Affairs, who told me that recourse to our good offices was, in principle, quite admitted.

[36658]

No. 171.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 30.)
(No. 320.)
(Telegraphic.) P.

Tehran, October 30, 1906.

VALIAHD'S finances.
Your telegram No. 196 of yesterday and my telegram from St. Petersburg, No. 97, of the 18th May last.

Arrangements have been made by my Russian colleague, in view of the state of the Shah's health, to have a sum of money lying ready, both at Tabreez and here, in order to assist the Valiahd's journey, and to pay the troops in the capital till he arrives. It is essential that the Valiahd should come here at once on the Shah's death, and that

order should be maintained pending his arrival. Money is required for this (see Sir M. Durand's telegram No. 29 of the 2nd May, 1896). Serious consequences may result from any uncertainty in the matter, and I venture to suggest that a definite agreement should be arrived at at St. Petersburgh as soon as possible.

In view of your telegram, I will abstain from mentioning the matter again to my Russian colleague until I receive further instructions. It was, of course, never contemplated to advance money to the Valiahd unless the Shah's death were a matter of hours, and unless the maintenance of order demanded the Valiahd's presence in the capital.

If Russia were to make this advance single-handed, our position would evidently be compromised. It is desirable, in order to avoid complications, that a joint agreement should be arrived at beforehand as to the action of the two Legations, in case of the Shah's death. His Majesty may live for some months, but, on the other hand, he may die at any moment.

[35682]

No. 172.

Sir Edward Grey to Sir C. Spring-Rice.(No. 161.)
Sir,

THE Persian Chargé d'Affaires called here on the 19th instant, and left the inclosed Memorandum respecting the alleged action of His Majesty's Consul at Shiraz in regard to criminals who have sought his protection.[♦]

Mirza Mehdi Khan remarked that the incidents in question, of which His Majesty's Government have received no information, had occurred some time ago, since the communication from the Sadr Azam had come by post.

He was informed in reply that, as the Sadr Azam evidently did not attach much importance to the incidents, to judge by the leisurely manner in which the information had been transmitted, His Majesty's Government would also make inquiries by post into the allegations, and that they hoped to be able in due course of time to furnish him with the result.

I am, &c.
(Signed) EDWARD GREY.

[36237]

No. 173.

Foreign Office to Treasury.(Confidential.)
Sir,

Foreign Office, October 30, 1906.
I AM directed by Secretary Sir E. Grey to inform you that, in view of the serious illness of His Majesty the Shah, negotiations have been in progress between His Majesty's Government and the Russian Government respecting the measures to be taken to secure the peaceful accession of the Valiahd in the event of His Imperial Majesty's demise.

It has been suggested that, in order to attain this end, His Majesty's Government and the Government of Russia should be prepared, in an emergency, to make a joint loan, not exceeding 100,000*l.*, to the Valiahd, to enable him to secure the loyalty of the army by discharging arrears of pay and to meet other current expenses.

Sir E. Grey has been in consultation with the Secretary of State for India in regard to this proposal, and it is understood that Mr. Morley would be prepared, if the Council of India should give the necessary sanction, to advance from Indian revenues a sum not exceeding 50,000*l.* for this purpose through the Imperial Bank of Persia, provided that the Lords Commissioners of His Majesty's Treasury will assume the guarantee for half of this amount (25,000*l.*), and will undertake to make good to the Indian Government the half of any loss that may be incurred on the transaction, in respect either of interest or capital.

It is proposed that the conditions of the loan should be substantially the same as regards those governing the loans made to the Persian Government through the Imperial Bank in April 1903 and September 1904, which were secured on the customs of Fars and the Gulf posts, and bore interest at 4 per cent. with 1 per cent. commission to the bank.

♦ No. 100.

I am to request that you will lay this proposal before the Lords Commissioners of the Treasury, and to express the hope that, if there should be no objection, they will consent to the requisite guarantee.

I am, &c.
(Signed) E. GORST.

[36762]

No. 174.

Sir A. Nicolson to Sir Edward Grey.—(Received October 31.)(No. 282.)
(Telegraphic.) P.

St. Petersburg, October 31, 1906.

WITH reference to the frontier dispute between Turkey and Persia, I am informed by the Russian Government that the Russian and British Representatives at Constantinople have agreed to give privately to the Grand Vizier a Memorandum, merely proposing mediation, and to abstain from mentioning any definite line for demarcating the boundary.

[36764]

No. 175.

Sir A. Nicolson to Sir Edward Grey.—(Received October 31.)(No. 283.)
(Telegraphic.) P.

St. Petersburg, October 31, 1906.

YOUR telegram No. 425 of the 29th instant.
Persian advance.

I have received a communication from Russian Government to effect that authorization has been given to Russian Minister at Tehran to fix date of repayment at one year. Article 5 is to be amended in sense that one year after contract has been signed the British and Russian Governments are entitled to demand repayment, three months' notice being given, i.e., nine months after contract has been signed.

Persian suggestion was somewhat different. Shall I, to avoid further delay, agree to Russian proposal as made, or do you wish me to urge Russian Government to accept Persian proposals in their exact terms?

[36776]

No. 176.

Sir C. Spring-Rice to Sir Edward Grey.—(Received October 31.)(No. 321.)
(Telegraphic.) P.

Tehran October 31, 1906.

TURCO-PERSIAN frontier.

I am informed by Minister for Foreign Affairs that, partly owing to an outbreak of mutiny among the Turkish troops, there is a change for the better in the situation. He is now hopeful that an agreement will be arrived at. He expressed gratitude for the assistance given by His Majesty's Government and said he hoped that the two Mussulman Governments will come to an agreement, if the two Christian Governments preserve their present attitude of remaining in the background with an eventual offer of mediation.

He hoped that the Persian and Turkish Commissioners would meet before long, and promised to keep us informed of the course of events.

[36770]

No. 177.

Sir Edward Grey to Sir A. Nicolson.(No. 431.)
(Telegraphic.) P.

Foreign Office, October 31, 1906.

ANGLO-RUSSIAN understanding respecting Persia.

After M. Isvolsky's return to St. Petersburg from Berlin we expect progress to be made in the negotiations on this subject. It is desirable that his Excellency should feel this.

Kerman should, if possible, be included by our line. The term "spheres of influence" had better be avoided.

Each of the two Powers should bind itself neither to seek nor to maintain influence in the districts—to be defined by common agreement—bordering on the other's territory.

This should be the first point. Then an assurance can be obtained from the Persian Government that neither district will be disturbed by the admission to interests in it of any other Power.

[36068]

No. 178.

Sir Edward Grey to Sir A. Nicolson.

(No. 487.)

Sir,

I HAVE considered, in consultation with the Secretary of State for India, the Memorandum from the Russian Government, which formed the inclosure in your despatch No. 680 of the 10th instant, respecting the Meshed-Seistan telegraph line.

In this communication M. Isvolsky states that the connection of the wire at each terminus with the Russian instruments is no more than the natural complement to the previous history of the line, and cannot be regarded as an infraction of the *status quo*.

His Excellency deprecates an exchange, on the basis proposed by His Majesty's Government, of the Meshed-Seistan line for the line from Meshed to Tehran, on the ground that such an arrangement would prejudice the question of principle involved in the delimitation of the spheres of interest of Great Britain and Russia while this subject is still under discussion. It could not fail to give rise to certain apprehensions respecting the negotiations now in progress between the two countries, and might not improbably endanger, by premature disclosure, the ultimate success of these negotiations.

In these circumstances an alternative proposal is made to the effect that the British Government should have an additional and separate wire on the Meshed-Seistan line, and the Russian Government a similar wire on the Meshed-Tehran line.

In reply, I have to observe that the proceeding described by M. Isvolsky has undoubtedly had the effect of transferring the control of the Seistan telegraph line from Persian into Russian hands; and that this step, constituting a radical modification of the *status quo*, was taken at a time when negotiations for an agreement on outstanding questions in Central Asia were proceeding at St. Petersburg, and that it must inevitably clash with the proposal that Russia should recognize a line from Birjand to Bunder Abbas, to the eastward of which the Persian Government should be invited to grant no concession for roads, railways, or telegraphs to any Power other than Great Britain.

From a technical point of view, His Majesty's Government fail to appreciate the advantages of the compromise suggested by M. Isvolsky, which would involve both countries in an expenditure in connection with the two telegraph lines not justified by the traffic. Further, it would in no way meet the political objections stated by the Government of India in their telegram of the 3rd September (copy of which I have already forwarded to your Excellency), and its acceptance would imply temporary acquiescence by His Majesty's Government in a state of things wholly incompatible with the objects which caused them to propose to the Russian Government the Birjand-Bunder Abbas line.

I have accordingly to request that your Excellency will address a further communication to the Russian Government, indicating the reasons why His Majesty's Government are unable to accept, as a fair solution of the question, the compromise proposed by M. Isvolsky, and urging that, unless a reversion to the *status quo ante* is accepted, the only satisfactory arrangement would be the exchange proposed by His Majesty's Government.

I am, &c.

(Signed) EDWARD GREY.

36658]

No. 179.

*Foreign Office to India Office.**Foreign Office, October 31, 1906.*

Sir,
WITH reference to your letter of the 9th June respecting an advance to the Valiahd, I am directed by Secretary Sir E. Grey to state that, in view of the information contained in Sir C. Spring-Rice's telegram No. 320 of the 30th instant (copy of which has already been communicated to your Department), a request has been made to the Lords Commissioners of the Treasury that they will undertake to guarantee the interest and capital of one-half of the amount which it is proposed should be advanced from Indian revenues.

I am to add that Sir E. Grey considers it would be expedient, in case the Shah's death should occur in the near future, that this Department should, without awaiting a reply from the Treasury, be authorized to request the Imperial Bank of Persia to pay the money as soon as necessary at Tabreez and Tehran, and he trusts that Mr. Secretary Morley will agree to this course.

I am, &c.

(Signed) E. GORST.

[36822]

No. 180.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 1.)

(No. 322.)

(Telegraphic.) P.

LOAN. My telegram No. 319.

Tehran, November 1, 1906.

Instructions to Russian Minister authorize him to agree to condition that repayment may be demanded after one year's delay on three months' notice.

[36857]

No. 181.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 1.)

(No. 323.)

(Telegraphic.) P.

Tehran, November 1, 1906.

MY telegram No. 297 of the 21st October: Meshed-Seistan line.

I have now received report of Director of Indo-European Telegraph Department, who states that the existing posts are hardly equal to carrying extra wires, and estimates the cost of replacing them with iron posts at 50,000*l*.

[36764]

No. 182.

Sir Edward Grey to Sir A. Nicolson.

(No. 433.)

(Telegraphic.) P.

JOINT advance to Persia.

Foreign Office, November 1, 1906.

You are authorized to accept the proposal of the Russian Government mentioned in your telegram No. 283 of yesterday.

[36254]

No. 183.

Sir Edward Grey to Sir A. Nicolson.

(No. 435.)

(Telegraphic.) P.

MESHER-SEISTAN line. My despatch No. 487.

Foreign Office, November 1, 1906.

An additional point to make in speaking to M. Isvolsky is that there has been a noticeable delay in the delivery of messages addressed to His Majesty's Legation from Seistan since the line passed into Russian control, and His Majesty's Consul at Turbat-i-Haidari has complained of the difficulty of getting connection with intermediate stations.

[36956]

No. 184.

India Office to Foreign Office.—(Received November 2.)

Sir,

India Office, November 2, 1906.

I AM directed by Mr. Secretary Morley to acknowledge the receipt of Sir E. Gorst's letter of the 31st October, regarding an advance to the Valiahd in the event of the Shah's death, in accordance with the proposals made in the Foreign Office Memorandum of the 22nd May, 1906.

The Council of India have agreed, on the condition that the Imperial Exchequer accepts a moiety of the risk in respect both of interest and capital, that a sum not exceeding 50,000*l.* may be provided from Indian revenues, for the purposes of the advance to the Valiahd, through the Imperial Bank of Persia, on substantially the same terms as those governing the loans made to the Persian Government in 1903 and 1904.

In view of the opinion expressed by the Secretary of State for Foreign Affairs as to the urgency of the matter, Mr. Morley, on the understanding that Sir E. Grey is satisfied that the Treasury will consent to give the necessary guarantee, has instructed the Accountant-General at this Office to hold a sum of 50,000*l.* in readiness for immediate payment to the Imperial Bank, for the purposes of the loan to the Valiahd, on the receipt of a request from the Foreign Office for the payment to be made.

Mr. Morley would, however, suggest, for Sir E. Grey's serious consideration, that the precedent of the financial arrangements of the joint loan with Russia, now being made to the Persian Government, should be followed in the case of this loan to the Valiahd, and that the Imperial Government should provide half the capital sum involved, instead of guaranteeing Indian revenues against loss in respect of a moiety of the advance.

I am, &c.
(Signed) A. GODLEY.

[36613]

No. 185.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 165.)

Sir,

Foreign Office, November 2, 1906.

WITH reference to Mr. Grant-Duff's despatch No. 235 of the 12th September, I transmit to you a letter from the Euphrates and Tigris Steam Navigation Company respecting the situation on the Karun and their relations with Haji Moin-ut-Tujjar.*

I authorize you to instruct His Majesty's Consuls in the sense desired in the penultimate paragraph of this letter, if you consider such a course not open to objection.

I am, &c.
(Signed) EDWARD GREY.

[37130]

No. 188^e.*Sir C. Spring-Rice to Sir Edward Grey.—(Received November 3.)*

(No. 325.)

(Telegraphic.) P.

KARUN irrigation.

Government of India telegram of the 26th October.

I am informed by the Moin-ut-Tujjar, speaking on behalf of the Sheikh of Mohammerah, that foreign financial help or any concession to foreigners will be opposed by the Sheikh, whose idea is to form a purely Persian Company and engage a foreigner as expert adviser. The Arabs, he assured me, would never allow foreigners to interfere with their lands, a fact of which the Persian Government were well aware.

He asked if the Government of India would lend Major Morton as expert adviser.

[37119]

No. 186.

India Office to Foreign Office.—(Received November 3.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Mr. Secretary Morley, forwards herewith, for the information of the Secretary of State, a paraphrase of a telegram to the Viceroy, dated the 31st ultimo, relative to the Karun irrigation.

India Office, November 3, 1906.

Inclosure in No. 186.

Mr. Morley to Government of India.

(Telegraphic.) P.

India Office, October 31, 1906.

KARUN irrigation. Your telegrams of the 23rd September and the 26th instant. Conditions stated in my telegram of the 8th instant still govern situation; importance of considerations which you urge is, however, fully recognized by His Majesty's Government.

[37135]

No. 187.

Sir A. Nicolson to Sir Edward Grey.—(Received November 3.)

(No. 286.)

(Telegraphic.) P.

St. Petersburg, November 3, 1906.

PERSIAN telegraphs.

I spoke this afternoon with the Minister for Foreign Affairs on the subject of the Meshed-Seistan line, and I left a Memorandum explaining that, in our opinion, there had been a sensible modification of the *status quo*; that his compromise did not meet with our agreement, and asking that either exchange of lines should be effected, or that *status quo ante* should be re-established.

M. Zvolski has promised to make a renewed study of the question, and I will discuss it again when I see him in a few days.

[37136]

No. 188.

Sir A. Nicolson to Sir Edward Grey.—(Received November 3.)

(No. 287.)

(Telegraphic.) P.

St. Petersburg, November 3, 1906.

PERSIAN Agreement.

I spoke to Minister for Foreign Affairs in sense of your telegram No. 431 of the 31st October, and told him you desired that negotiations should advance.

I will report the substance of our conversation by messenger, but the impression left on my mind by our conversation is that he is still personally in favour of an arrangement on the proposed basis, but that he will require time to win over opposition, as he foresees much difficulty ahead.

As regards Germany, he said that that Power has no interest in seeing us arrive at an understanding, and although she is not creating obstacles, he evidently fears she may later raise difficulties, as she did in the case of the Morocco Agreement. He said that while in Berlin he had been careful not to give Germany an insight into our negotiations, as he considered them a matter which concerned England and Russia exclusively.

[37133]

No. 189.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 3.)

(No. 326.)

(Telegraphic.) P.

TURCO-PERSIAN frontier.

I am asked by the Grand Vizier to inform you that a demand for the Lahan frontier has been made by the Turkish Commissioner and refused by Persia, but that no counter-proposal has as yet been made by the Persian Commissioner.

[36956]

No. 190.

Foreign Office to Treasury.

Foreign Office, November 3, 1906.

Sir,
WITH reference to my letter of the 30th ultimo, I am directed by Secretary Sir E. Grey to transmit to you, to be laid before the Lords Commissioners of His Majesty's Treasury, copy of a letter from the India Office, respecting the proposed advance to the Valiahd.

I am to call your attention to the final paragraph of this letter, and to request that Sir E. Grey may be furnished with the observations of the Lord Commissioners on this proposal at their early convenience.

I am, &c.
(Signed) E. GORST.

[37154]

No. 191.

Sir F. Lascelles to Sir Edward Grey.—(Received November 5.)

(No. 333. Very Confidential.)

Sir,

M. ISVOLSKY, who is spending a few days in Berlin on his return to St. Petersburg from Paris, and whose acquaintance I had the honour of making at a party at the Russian Embassy last night, was good enough to call upon me late this afternoon, as he wished to have some conversation with me. He said he was glad to think that a decided improvement had taken place in the relations between our two countries, and he was in hopes that a thorough and complete understanding might eventually be come to. For this, however, much time and patience would be required. Earnestly desiring, as he did, to arrive at such an understanding, it was necessary for him to take into account public opinion in Russia, which was still very suspicious of any *rapprochement* between England and Russia. Any attempt, therefore, to hurry on an agreement would probably give rise to difficulties and result in failure.

I observed that when his Excellency spoke of "public opinion" he referred not only to what was understood by the term in other countries, but also to the opinion of highly placed personages in Russia, not excluding perhaps some of his Excellency's colleagues. He did not deny that this was so, and went on to say that he had been struck by the admirable manner in which the English deputation which had proposed to visit Russia had been dissuaded from carrying out their intention. The visit would certainly have been inopportune, and would have caused embarrassment to the Government. Proposals had, indeed, been made to prevent the deputation from going either to St. Petersburg or Moscow. He had strongly opposed these proposals, and had insisted that no coercive measures should be taken against the deputation. He attributed the abandonment of the visit to the good sense of the newspaper correspondents and the British Colony, and perhaps more especially to the presence of Sir Donald Mackenzie Wallace in St. Petersburg, who had been able to give good advice. His Excellency also spoke in terms of the warmest praise of Sir Arthur Nicolson, who on this and indeed on every occasion had acted admirably. Although he had been but a comparatively short time in Russia, he had obtained a clear insight into the internal situation, which it was very difficult for any foreigner to understand.

* No. 184.

He was, indeed, the right man in the right place, and his clear and sound judgment would be of the greatest utility in carrying on the complicated negotiations which M. Isvolsky sincerely trusted would result in a satisfactory understanding.

On my saying that a beginning had been made by the two Governments agreeing to a joint advance to Persia, M. Isvolsky said that that was a step in the right direction. He greatly regretted the incident of the Seistan Telegraph, of which he was in complete ignorance when Sir Arthur Nicolson brought it to his notice. He had given orders that the *status quo* was to be maintained, and he had therefore been annoyed at hearing of the incident which had now been explained to be a matter of technical detail. I told M. Isvolsky that my previous knowledge of Persia made me appreciate the difficulties of the situation. The Persians were very suspicious, and could not understand why England and Russia should wish to come to terms, and feared that any arrangement between the two Great Powers could only be brought about at the expense of Persia. It would also be necessary to overcome the rivalry which was almost traditional between the agents of the two Governments. I knew from personal experience that it was perfectly possible for the British and Russian Ministers to remain on friendly terms, and I looked back with pleasure to my friendly intercourse with M. Butzow when we were colleagues at Tehran. M. Isvolsky said that the appointment of Sir Cecil Spring-Rice as British Minister at Tehran had given him the liveliest satisfaction. Sir Cecil was well acquainted both with Russia and Persia. He was on good terms with his Russian colleague. He would understand how necessary it was for Russia not merely to protect her enormous commercial interests in Persia, but also to maintain her secular traditions. There could be no doubt of the sincerity of his desire for a good understanding between England and Russia, and his knowledge and experience would be of great assistance in bringing it about. The accounts of the state of the Shah's health were most unsatisfactory, but M. Isvolsky did not anticipate any complications on His Majesty's death, and he believed that the Valiahd, being supported both by England and Russia, would succeed his father peacefully.

M. Isvolsky referred to his recent visit to Paris. On his arrival there he had called on M. Bourgeois, who had just ceased to be Minister. The fact of his arriving during the Ministerial crisis had, however, had the advantage of enabling him to have a longer conversation with the President than perhaps would otherwise have been the case. M. Fallières had stated that he had made it a condition of intrusting M. Clemenceau with the formation of the Ministry, that there should be no change in the foreign policy of France. No doubt apprehensions had been felt in certain quarters at the fact of M. Clemenceau having become Prime Minister, but M. Isvolsky was convinced that he would pursue a prudent and peaceful policy with regard to foreign affairs, and would devote himself more especially to internal questions. He would certainly put in force the law with regard to the Church, but he had announced that he intended to do so without having recourse to force. M. Clemenceau was now at the head of a homogeneous Ministry, but it was doubtful how far this increased his power. The Ministers whom he had selected did not command many votes in the Chamber, and M. Isvolsky had gathered that the general impression in Paris was that his Ministry would not be of long duration, as the other groups in the Chamber would before long combine against him.

Since he had been in Berlin, M. Isvolsky had been received by the Emperor, and had had a long conversation with Prince Bülow, with whom he was going to dine to-night. He need not tell me how extraordinarily sensitive the Germans were with regard to any arrangement which might be come to between any two countries without their having been consulted. He was therefore not surprised at being told, shortly after his appointment as Minister for Foreign Affairs, by the German Ambassador in St. Petersburg, that the German Government, while hailing with satisfaction any arrangement between England and Russia which would contribute towards the maintenance of the peace of the world, expected to be consulted with regard to any points in such an Agreement which might affect German interests. He had replied that the understanding which might eventually be arrived at between England and Russia merely aimed at removing the causes of friction which were due to their respective interests in the East. It certainly would not be directed against any other country, and he asked what were the German interests to which the Ambassador had alluded. The answer had been, as he had expected, the Bagdad Railway. He had expressed the opinion that the Bagdad Railway should be considered as a German undertaking, and that Germany should certainly be consulted in any question connected with it. As Germany was seeking for the participation of

[1682]

2 N

English, French, and Russian capital in this undertaking, he was strongly of opinion that any negotiations on the subject should be conducted by the four Powers conjointly, and not separately. During his recent visit to Paris, he had again expressed this opinion, in which the French Government concurred, and he had repeated it in his conversation with Prince Bülow, whom, he believed, he had convinced that an understanding between England and Russia would not in any way be directed against Germany. It would, he said, be ridiculous to suppose that Russia, considering her geographical position, and the internal condition of the country, could deliberately seek a quarrel with Germany.

There was one question which M. Isvolsky considered should at once engage the attention of the Great Powers, and that was, the reform of the Judiciary in Macedonia. He had not yet heard whether the Sultan had agreed to the conditions contained in the last note presented by the Ambassadors at Constantinople on the subject of the increase of the customs duties. He had, however, little doubt that he would do so, and that sufficient money would then be found to defray the expenses of the Administration. He considered it essential that the judicial reform should then be undertaken, and he believed that if this were done, the Civil Agents and the Financial Commission would be able to effect a real improvement in the condition of the country. He did not anticipate any immediate complications in the Balkans, such as would undoubtedly have broken out if the Powers had permitted the annexation of Crete by Greece. The Bulgarians would in that case certainly have demanded some territorial compensation, and would have resorted to force had it been denied them. I said that it appeared to me that this demand of the Bulgarians was unreasonable, as none of the other Balkan States had received compensation when Eastern Roumelia was united to Bulgaria. M. Isvolsky smiled, and said that this took place so long ago that people had forgotten all about it. I asked whether he thought that there would be danger of complications arising in the event of the death of the Sultan. He replied that he did not see any reason for alarm, and he thought that the Sultan's successor would be allowed to take peaceful possession of the Throne. He had been glad to hear that the Sultan had recovered his health, and that his illness had not been so severe as had been generally supposed. In his opinion, a more serious situation would be created if the Emperor of Austria were to disappear from the scene. As long as His Majesty lived, it was not probable that there would be any serious trouble in his dominions, and the demand of the Hungarians for separation from Austria would not probably take effect during His Majesty's lifetime, which it was earnestly to be hoped might be prolonged for many years.

On my observing that I had been glad to see that there had been some improvement in the internal condition of Russia, M. Isvolsky said that this certainly was the case, and was due to the wise action of M. Stolypin, who was admirably fitted to conduct the internal affairs at this difficult moment. He was a man of great strength of character and very calm.

The terrible calamity which had befallen his family had raised him in the general estimation, as, even on the night of the catastrophe itself, he devoted himself to his work as usual. He never flinched, and although he would resolutely maintain order, he was a "progressive" man.

On taking leave of me, M. Isvolsky again expressed his great satisfaction that Sir Arthur Nicolson was now His Majesty's Ambassador at St. Petersburg, and his sincere hope that the negotiations in which they were engaged would lead to a complete understanding between England and Russia.

I will take the opportunity of the messenger who will leave Berlin on the evening of the 1st proximo for St. Petersburg and Tehran to send a copy of this despatch to Sir Arthur Nicolson and Sir Cecil Spring-Rice.

I have, &c.
(Signed) FRANK C. LASCELLES.

[37175]

No. 192.

Mr. G. Barclay to Sir Edward Grey.—(Received November 5.)

(No. 729.)

Sir,

WITH reference to my telegram No. 206 of to-day, I have the honour to report that at my interview with the Grand Vizier this afternoon I said that a difference had arisen between Turkey and Persia as the result of the occupation by Turkish

troops of certain places which had for some time been an object of dispute, viz., Vezne, Lahijan, and Passova, the last named being undoubtedly in Persian territory.

The Representatives of the two mediating Powers, Great Britain and Russia, had more than once recommended the two Mussulman Powers to come to an agreement as to the frontier in those regions. The Turkish and Persian Commissioners had been sent to the spot with this end in view, but the negotiations had not reached any result and the difference was in danger of becoming acute.

In these circumstances the Persian Government had thought it right to approach the two mediating Powers with a view to their proposing their good offices to Turkey for the solution of the question. The zone within which the frontier was to be fixed had been defined by British and Russian Commissioners, and the two Governments, animated by the desire to contribute to an equitable solution and to the re-establishment of relations of good neighbourhood between Turkey and Persia, were ready to use their good offices again to appoint Commissioners to fix the frontier within the zone in concert with Turkish and Persian Commissioners. In conclusion I expressed the hope that the Ottoman Government, trusting to the impartiality of the two mediating Powers, would not hesitate to agree to the proposal.

I afterwards, at the Grand Vizier's request, made the same communication to the Minister of Foreign Affairs, leaving with his Excellency the text of what I had said in the form of an *aide-mémoire*, of which I inclose a copy.

The language I used had been agreed upon beforehand with the Russian Ambassador, and later in the afternoon an exactly similar communication was made to the Grand Vizier and Tewfik Pasha by M. Maykow, First Dragoman of the Russian Embassy, on M. Zinoview's behalf.

Neither to M. Maykow nor to me did the Grand Vizier or Tewfik Pasha evince any unwillingness to have recourse to the good offices of the mediating Powers in the event of the two Moslem Powers being unable to come to an agreement by themselves. Tewfik Pasha, indeed, spoke to me of our mediation as being the natural solution in such a contingency, adding that recourse to our good offices was quite admitted in principle. They told me, however, that they had suggested to the Persian Government that, as Persia objected to the frontier proposed by the Ottoman Commissioner, she should make a counter-proposal, and that they had heard the day before from the Turkish Ambassador at Tehran that instructions had been sent in the desired sense to the Persian Commissioner, and until the Porte knew the nature of the Persian counter-proposal they were not in a position to reply to our communication.

After leaving the Porte I visited the Persian Ambassador, whom I had informed before of the communication we intended making, and I told Prince Riza Khan that our communication had not been unfavourably received. His Highness seemed much pleased, and told me that he had reason to believe that the Palace, whose attitude on the frontier question had until lately been most uncompromising, was now inclined to be more conciliatory. This he attributed to an interview he had had with Ghalib Pasha, the Grand Master of Ceremonies, who had been sent by the Sultan to complain of the conduct of the Persians in the disputed district. His Majesty appeared to have been under the impression that the Persians were encroaching upon Turkish territory. His Highness had explained the real situation to Ghalib Pasha, and he thought that he had succeeded in removing from His Majesty's mind the misapprehension under which he had been labouring.

I have, &c.
(Signed) G. BARCLAY.

Inclosure in No. 192.

Aide-mémoire.

IL y a à peu près une année qu'un différend a surgi entre la Turquie et la Perse à la suite de l'occupation par des troupes Ottomanes des localités qui depuis quelque temps formaient un objet de contestation entre ces deux Puissances, Vezné et Lahidjan, ainsi que de Pesvé, qui indubitablement est situé sur le territoire Persan.

Les Représentants des deux Puissances médiatrices, l'Angleterre et la Russie, ont à plus d'une reprise été chargés par leurs Gouvernements respectifs de recommander aux deux Puissances Musulmanes de s'entendre sur une ligne de frontière à fixer dans ces parages. Des Commissaires Ottoman et Persan ont été envoyés dans ce but sur les lieux, mais, ainsi qu'il résulte des informations parvenues tout récemment aux

Cabinets de Londres et de Saint-Pétersbourg, les négociations entre les dits Commissaires n'ont point abouti, et le différend risque de se compliquer.

Dans cet état de choses le Gouvernement Persan a cru devoir intervenir auprès des dits Cabinets pour les prier de proposer à la Sublime Porte de recourir aux bons offices des Puissances médiaterices pour la solution du différend en question.

La zone dans les limites de laquelle la ligne de frontière entre la Turquie et la Perse devrait être fixée ayant été précédemment définie par les Commissaires des deux Puissances médiaterices, les Gouvernements d'Angleterre et de Russie, étant animés du désir de contribuer à une solution équitable des contestations pendantes et au rétablissement des rapports de bon voisinage entre les deux Puissances Musulmanes, sont prêts à user de nouveau de leurs bons offices, et de nommer des Commissaires, qui, conjointement avec les Commissaires Ottoman et Persan, auraient à fixer la frontière dans les limites de la dite zone.

En portant cette proposition à la connaissance du Gouvernement Impérial Ottoman, le Chargé d'Affaires d'Angleterre et l'Ambassadeur de Russie se plaisent à espérer que, confiant dans les sentiments d'impartialité qui animent les deux Puissances médiaterices, la Sublime Porte n'hésitera pas à adhérer à la proposition ci-dessus exposée.

[37345]

No. 193.

India Office to Foreign Office.—(Received November 5.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Mr. Secretary Morley, forwards herewith, for the information of the Secretary of State, paraphrase of a telegram from the Viceroy, dated the 26th October, relative to Kurun irrigation.

India Office, November 5, 1906.

Inclosure in No. 193.

Government of India to Mr. Morley.

(Telegraphic.) P.

KARUN Concession.

Reference is invited to telegram dated 20th instant from His Majesty's Minister at Tehran. Unless Russia is prepared to allow head of Gulf to pass under influence of some other European Power, it seems almost impossible to explain her attitude as indicated in that telegram. It is reported by Resident in Persian Gulf that Sheikh of Mohammerah desires to obtain Concession himself. Introduction to suitable financier for execution of scheme would then be asked for by Sheikh either of the Government of India or of His Majesty's Government. In view of fact that British lien on Arabistan customs is being firmly upheld, we agree with Cox in regarding idea as practicable. We would suggest that it should be considered as a means by which serious danger of Karun tract passing under foreign control, other than that of Great Britain or of some Power in close *entente* with Great Britain, if His Majesty's Government are not prepared themselves to ask for the Concession.

(Repeated to Bushire and Tehran.)

[37365]

No. 194.

Sir A. Nicolson to Sir Edward Grey.—(Received November 5.)

(No. 289. Confidential.)

(Telegraphic.) P.

St. Petersburg, November 5, 1906.

IN conversation to-day with the German Ambassador, his Excellency volunteered the information that his Government had no wish to oppose the conclusion of an Agreement between England and Russia in regard to Persia; further, that they had no desire to obtain any concessions there, and that all Germany asked was that the principle of the open door for trade should be maintained.

[37364]

No. 195.

Mr. G. Barclay to Sir Edward Grey.—(Received November 6.)

(No. 208.)

(Telegraphic.) P.

FRONTIER between Persia and Turkey.

Telegram of the 3rd November from His Majesty's Representative at Tehran.

A report has been received from the Ottoman Commissioner to the effect that a counter-proposal is being prepared by the Persian Commissioner. With a view to coming to an agreement, the Turkish Commissioner has been given a freer hand from Constantinople.

[36614]

No. 196.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 170.)

Sir,

Foreign Office, November 6, 1906.

WITH reference to Mr. Grant Duff's despatch No. 235 of 12th September, I transmit herewith copy of a letter from the Persian Transport Company respecting their relations with the Mouin-el-Tejar on the Upper Karun.[®]

I have to request that, if you see no objection, you will make representations to the Persian Government in the sense desired.

I am, &c.
(Signed) EDWARD GREY.

[37524]

No. 197.

Treasury to Foreign Office.—(Received November 7.)

Sir,

Treasury Chambers, November 6, 1906.

I AM directed by the Lords Commissioners of His Majesty's Treasury to acknowledge the receipt of Sir E. Gorst's letter of the 30th ultimo, stating that it is proposed that a joint loan, not exceeding 50,000*l.*, should be made by His Majesty's Government to the Valiahd, to secure his peaceful succession to the Throne of Persia in the event of His Imperial Majesty's decease.

It is suggested that a sum, not exceeding 50,000*l.*, should be advanced for this purpose out of Indian revenues through the Imperial Bank of Persia, provided that their Lordships will assume the guarantee for half that amount, or 25,000*l.*—that is to say, will undertake to make good to the Government of India half of any loss, in respect of interest or capital, which may be incurred in the transaction; and I am to request you to inform Secretary Sir Edward Grey that their Lordships concur in the above proposal, which, they understand, is additional to and irrespective of the proposed joint loan of 400,000*l.* to the Persian Government already sanctioned by them in their letter No. 17258/06. They note that interest at the rate of 4 per cent. will be payable upon the above loan of 50,000*l.* (which is to be secured upon the customs of Fars and the Gulf ports), together with a commission of 1 per cent. to the Imperial Bank.

My Lords prefer the arrangement herein sanctioned to the alternative suggested by the Secretary of State for India in Council in the inclosure to Sir E. Gorst's further letter of the 3rd instant.

I am, &c.
(Signed) E. W. HAMILTON.

[37537]

No. 198.

Sir A. Nicolson to Sir Edward Grey.—(Received November 7.)

(No. 291.)

(Telegraphic.) P.

St. Petersburg, November 7, 1906.

MY telegram No. 289 of the 5th November.

I related to M. Isvolsky the substance of the statements made to me by the German Ambassador in regard to our Persian negotiations. I will report by bag

to-morrow his account of what passed at Berlin, when practically similar assurances were given to him. I venture to think quite satisfactory the attitude and language held by him at Berlin. He no longer fears the danger of the interference of third Powers during the course of our negotiations.

[37524]

No. 199.

Sir Edward Grey to Sir C. Spring-Rice.(No. 203.)
(Telegraphic.) P.*Foreign Office, November 7, 1906.*

LOAN to the Valiahd: see your telegram No. 320 of the 30th ultimo. The Imperial Bank have been informed that, immediately the Shah dies, 50,000*l.* will be placed to your order either at Tabreez or at Tehran. The same conditions with regard to security and interest as were made in the case of our loans to Persian Government in 1903 and 1904 will be required for this loan.

[36614]

No. 200.

Foreign Office to Persian Transport Company.

Sir,

Foreign Office, November 7, 1906.

I AM directed by Secretary Sir E. Grey to acknowledge the receipt of your letter of the 29th ultimo respecting the relations of your Company with the Mouin-el-Tejer on the Upper Karun.

I am to inform you that Sir E. Grey will communicate with His Majesty's Minister at Tehran on the subject.

I am, &c.
(Signed) E. GORST.

[37524]

No. 201.

Foreign Office to Imperial Bank of Persia.

(Confidential.)

Sir,

Foreign Office, November 8, 1906.

I AM directed by Secretary Sir E. Grey to inform you that His Majesty's Government have decided, in agreement with the Russian Government, to make a joint advance of 100,000*l.*, in equal moieties, to the Valiahd, on the occasion of the decease of the Shah, to be devoted to payment of arrears due to the army and to other current expenses.

The British portion of this advance (50,000*l.*) will be held in readiness by the Accountant-General of the India Office for immediate payment to the Imperial Bank on the death of His Imperial Majesty.

Sir E. Grey will be obliged if arrangements can be made to hold this sum at the disposal of His Majesty's Minister either in Tehran or in Tabreez.

I am, &c.
(Signed) E. GORST.

[37524]

No. 202.

Foreign Office to India Office.

Sir,

Foreign Office, November 8, 1906.

I AM directed by Secretary Sir E. Grey to transmit to you, to be laid before the Secretary of State for India, copy of a letter from the Treasury respecting the proposed loan to the Valiahd.*

A copy of your letter of the 2nd instant, containing a suggestion that one half of the advance should be provided from Imperial funds, was forwarded to the Lords Commissioners who, as you will observe, prefer to adhere to the arrangement that the

[37539]

No. 198*.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 7.)

(No. 330.)

(Telegraphic.) P.

Tehran, November 7, 1906.

HEALTH of His Majesty the Shah.

According to the doctors' report, during the last week a marked change for the worse has taken place.

The lungs are congested, and there is a great increase of the ascites.

The Russian doctor sleeps at the Palace, and a German specialist is expected to arrive to-morrow.

[37655]

No. 200*.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 8.)

(No. 332.)

(Telegraphic.) P.

Tehran, November 8, 1906.

LOAN for Valiahd.

Shall I communicate the sense of your telegram No. 203 to the Russian Minister, and add that I am to expend this sum in concert with him for the maintenance of order in case of necessity? (See your telegram No. 83.)

A sum of 30,000*l.* is being held in reserve at Tabreez by the Russian Bank. This ought to suffice for the journey of the Valiahd and the payment of the troops at Tabreez.

whole amount should be furnished from Indian revenues, His Majesty's Government undertaking to guarantee the interest and capital of one moiety (25,000*l.*) of the advance.

I am accordingly to state that a request for payment of the sum of 50,000*l.* to the Imperial Bank will, in the event of the Shah's death, be made to your Department.

A copy of a letter which has been addressed to the Imperial Bank on the subject is inclosed.*

I am, &c.

(Signed) E. GORST.

[37847]

No. 203.

The Imperial Bank of Persia to Foreign Office.—(Received November 10.)

Sir,

I HAVE the honour to acknowledge receipt this morning of your Confidential letter of yesterday's date, and have carefully noted the contents.

Instructions were at once sent by telegram to the Chief Manager of the Bank in Tehran, requesting him to hold the sum of 50,000*l.* at the disposal of His Majesty's Minister either in Tehran or in Tabreez.

I have, &c.

(Signed) G. NEWELL, Manager.

[37829]

No. 204.

Persian Transport Company to Foreign Office.—(Received November 10.)

Sir,

I HAVE the honour to refer to your letter of the 15th ultimo, covering copy of a despatch from His Majesty's Chargé d'Affaires at Tehran on the subject of the Bakhtiari Road. This correspondence originated in our contention that the road was in bad order, and had not been repaired as claimed by the Bakhtiari Chiefs. It is now established by the correspondence under consideration that our contention was correct; the Chiefs had not actually executed the repairs which they had distinctly stated to the Legation had been completed. I am directed to say that my Board note with pleasure that His Majesty's Chargé d'Affaires has instructed Captain Lorimer to report fully on the general condition of the track, bridges, and caravanserais as soon as the Khans have intimated in writing that the promised repairs have been completed.

In this connection, I would venture respectfully to submit that the value of such a report will be greatly enhanced if based upon special practical knowledge of the sort of track necessary for the safe transport of merchandize by camel, mule, or donkey caravans under varying conditions of weather, and also upon a comparison of the present state of this track with the state of other tracks with which it has to compete. The facility with which a lightly-loaded passenger caravan, tended by numerous servants, traverses the track affords little indication of its true utility. We are aware that such a capable officer as Captain Lorimer, with his already considerable experience of conditions in Persia, is admirably qualified to give a general report on the road and the questions connected with it; but our suggestion is that if His Majesty's Government were to permit him to take with him an expert on the technical points above mentioned his report would greatly gain in value.

We may observe that Mr. Parry, an experienced officer of this Company, will probably be travelling from Ispahan to Ahwaz in the early spring. Should it be found impossible to obtain the services of a trained expert, we cannot help thinking that Mr. Parry's work during recent years in connection with the operations of the Transport Company, which included special attention to the technical points above referred to, would qualify him in a great degree to be of assistance to Captain Lorimer. We should be glad to instruct him to go over the track with Captain Lorimer in his inspection should that course be desired. In any case, we certainly

think that we are entitled to know that this track is kept in as good a state of repair as when it was originally handed over to the Chiefs; and Mr. Parry's knowledge on this matter seems to us to be an essential factor in determining the point.

We hope that it will be stated in the report not only what the condition of the track may happen to be at the moment of traversing it, but also what it is likely to be under varying conditions of weather. Soft loam, for instance, may afford a splendid surface in dry weather, and may be a quagmire in wet.

With reference to the Report already furnished by Captain Lorimer and his comments under the heading of "Caravanserais," I drew attention to the question of fodder and supplies in my letter of the 12th July last. Proper regulation of fodder and supplies at caravanserais is essential to a good transport service. Unfortunately, the Company cannot hope to intervene effectively in this matter unless the Khans agree to intrust the management of the road to us.

As regards bridges, I am directed to point out that the care of these structures rests with the Company. The last inspection took place in the summer of 1904; we have delayed further action till the very last moment in the hope of concluding a general arrangement with the Khans which would enable us to combine this with other work. But it is imperative, in protection of our interests, to resume this annual inspection next spring. We shall be obliged if His Britannic Majesty's Minister in Tehran will instruct the Consul at Ahwaz to inform the Khans to that effect. We shall be pleased to submit our bill of cost against the Khans to the revision of His Britannic Majesty's Consul at Ahwaz.

With regard to Captain Lorimer's remarks under the heading of "Tufanchis" or road guards, we beg to point out that these guards are under the orders of the Khans, who should maintain discipline and pay them proper wages in order to put an end to the disgraceful blackmailing of passengers.

I have, &c.
(Signed) H. W. MACLEAN, Secretary.

[37918] No. 205.

Sir A. Nicolson to Sir Edward Grey.—(Received November 12.)
(No. 726.)

St. Petersburg, October 31, 1906.
Sir,
ON the receipt of your telegram No. 425 of the 29th instant, I addressed a private letter to M. Goubastoff, of which I have the honour to transmit a copy, informing his Excellency of the modification which the Persian Government desired to see introduced in Article 5 of the Contract relative to the advance to be made by the Governments of Great Britain and Russia, and inquiring whether the Imperial Government would be prepared to join with His Majesty's Government in accepting the proposed modification.

I received yesterday a reply from M. Goubastoff, of which I beg leave to transmit a copy, stating that M. Hartwig was authorized to arrange that the repayment of the advance should be effected on the expiration of one year, and that a notice should be given to the Persian Government nine months after the date of the signature of the Contract.

I do not know if you would wish me to press the Russian Government to modify their conditions in a sense more in conformity with the proposal of the Persian Government, or whether, in view of the urgent needs of the Persian Treasury, and in order to avoid further delay, you would be willing to adopt the phraseology of the Russian text. I communicated to you in my telegram No. 283 of to-day's date the substance of the reply of M. Goubastoff.

I have, &c.
(Signed) A. NICOLSON.

Inclosure 1 in No. 205.

Sir A. Nicolson to M. Goubastoff.

Cher M. Goubastoff,
NOS deux Ministres à Téhéran ont rédigé un Contrat avec le Gouvernement Persan au sujet de l'avance. Le Gouvernement Persan désire une modification dans

144*

[37885]

No. 204 a.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 10.)
(No. 333.)

(Telegraphic.) P. Tehran, November 10, 1906.

PERSIAN Loan.

I hear that objections to the advance are now being raised by the Chief Mullahs. The Contract is not yet signed.

[37888]

No. 204 b.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 10.)
(No. 334.)

(Telegraphic.) P. Tehran, November 10, 1906.

FOLLOWING sent to India:

"Protection of Shiraz Road. Bushire telegram of 22nd August.

"It has been suggested by His Majesty's Consul at Shiraz that, as there will probably be excesses on the part of the tribes in the event of the Shah's death, each of the four principal telegraph stations on the Bushire road should be furnished with a guard of six men, drawn from the Bushire detachment, for the protection of the line, the telegraph staff, and British merchandize on the road.

"Persian military protection is not likely to be effective, but I can make strong representations to the Persian Government demanding it. As the question is mainly a military one, I suggest that the military authorities be consulted and the matter laid before the Home Government. The Persian Government would doubtless deeply resent the proposed action, but, on the other hand, the danger is a real one.

"I have warned His Majesty's Consuls, the Telegraph Department, and British merchants."

[37898]

No. 204 c.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 11.)

(No. 335.) (Telegraphic.) P. Tehran, November 11, 1906.

PROTECTION of Shiraz road.

1. Telegraph line.

Between Shiraz and the sea there are no British subjects. (Please see your telegram No. 89 of July 2 and Article II of Telegraph Convention.)

2. Commerce.

Ziegler's Agent, whom I have consulted, says that the expense and difficulty of transport would constitute objections to sending convoys of troops.

l'Article 5, qui est ainsi conçu : "Les Gouvernements de Russie et de la Grande-Bretagne se réservent le droit de donner un avis de quatre mois au Gouvernement Persan de la date à laquelle le Gouvernement Persan devrait rembourser," &c.

Le Gouvernement Persan désire faire insérer après les mots "se réservent le droit" les mots "après un délai d'une année."

Mon Gouvernement est prêt à accepter cette modification, et je vous serais très reconnaissant si vous voudriez bien me faire savoir si le Gouvernement Impérial est du même avis.

Veuillez, &c.
(Signé) A. NICOLSON.

Inclosure 2 in No. 205.

M. Goubastoff to Sir A. Nicolson.

M. l'Ambassadeur,

Saint-Petersbourg, le 17 (30) Octobre, 1906.

EN réponse à la lettre que votre Excellence a bien voulu m'adresser en date de ce jour, je m'empresse de vous faire savoir que M. de Hartwig est autorisé à fixer à un an le terme de l'amortissement de l'avance à faire au Gouvernement Persan. L'Article 5 de la Convention y relative serait donc rédigé dans des termes garantissant à l'Angleterre et à la Russie le droit d'exiger le remboursement de l'avance un an après la signature de la Convention, à condition de prévenir le Gouvernement Persan trois mois auparavant, c'est-à-dire neuf mois après la date de la signature.

Veuillez, &c.
(Signé) GOUBASTOFF.

[37919]

No. 206.

Sir A. Nicolson to Sir Edward Grey.—(Received November 12.)

(No. 727.)

Sir,

St. Petersburg, October 31, 1906.

WITH reference to my telegram No. 282 of to-day's date, I have the honour to transmit copy of an *aide-mémoire* which I have received from the Ministry for Foreign Affairs, stating the arrangement which has been arrived at between the Russian and British Representatives at Constantinople relative to the form of mediation to be offered in the matter of the Turco-Persian frontier dispute.

I have, &c.
(Signed) A. NICOLSON.

Inclosure in No. 206.

Aide-mémoire communicated by the Ministry for Foreign Affairs, October 17 (30), 1906.

POUR faire suite à son aide-mémoire du 9 Octobre courant, le Ministère Impérial des Affaires Etrangères a l'honneur de faire savoir à l'Ambassade de la Grande-Bretagne que, ainsi qu'il a été convenu entre M. Zinoviev et Mr. Barclay, les Représentants de Russie et d'Angleterre se borneront à proposer à la Sublime Porte la médiation de leurs Gouvernements respectifs, en ne mentionnant d'avance aucune ligne de démarcation définie, et qu'ils remettront au Grand Vizir, d'une manière tout à fait privée, un *pro-memorid* à ce sujet.

[37927]

No. 207.

Sir A. Nicolson to Sir Edward Grey.—(Received November 12.)

(No. 735.)

Sir,

St. Petersburg, November 4, 1906.

I CALLED on M. Isvolsky yesterday afternoon, and stated to him that now that he had returned to St. Petersburg I trusted that our negotiations would proceed with reasonable despatch. I told his Excellency that the details of an immediate advance of

money to the Persian Government were practically settled, and that we were now at liberty to deal with the wider question of our future relations in Persia. During his absence from St. Petersburg, I had been in communication with you on the subject, and that you were of opinion that progress should be made in the discussions. It seemed to me that there were no serious obstacles in the way of a fairly speedy settlement, and, indeed, owing to certain indiscretions which had given the public press occasion to comment on our negotiations, it was desirable that we should come to terms with as little delay as possible.

M. Isvolsky replied, that he need not repeat to me that he was sincerely desirous of arriving at a final arrangement, but that he must be allowed time to overcome the opposition which existed in certain quarters, not perhaps so much against the principle of a friendly understanding with Great Britain, as against the basis on which we proposed to found an Agreement. He was personally quite in accord with our views ("je suis parfaitement dans votre ordre d'idées"), but the proposal to delimit spheres of influence was by several important authorities regarded with much hesitation and doubt. For instance, the General Staff, with whom he had not yet discussed the matter seriously, were, he gathered, indisposed to abandon Seistan absolutely to our influence and control. To the military mind those districts were of great strategical importance, and might in the future be of great value. He would then have to be armed with strong arguments to overcome their opposition and to remove their objections, and he would have to be able to prove to the military authorities that compensatory advantages would be acquired elsewhere. Then, again, there was a great mass of public opinion to be converted and be brought over to the new direction which would be given to Russian foreign policy. In view of these considerations, it was evident that some time must elapse before we could approach the end of our negotiations.

I told M. Isvolsky that the military mind only saw one side of the question, and that opposition to an arrangement from military quarters was to be expected, perhaps not exclusively in Russia. He should not imagine that there was a consensus of opinion among all the authorities who had been consulted on our side; but the responsible directors of the negotiations did not give undue weight to the military point of view.

I intend to go into this portion of the question more fully on another occasion, as I wished yesterday to lead the conversation on to other grounds. In connection with the military point of view, I would beg leave to call your attention to the enclosed letter from Colonel Napier, whom I had desired to sound the Chief of the General Staff on the subject of an Anglo-Russian understanding.

I further told M. Isvolsky that, so far as I was able to ascertain, public opinion in Russia was, generally speaking, in favour of an arrangement with Great Britain, and journals so wide apart in politics as the "Novoe Vreyma" and the "Oko" were singing paens in praise of an Agreement.

His Excellency said that it was possible that a portion of the press were well disposed, but he cited one or two papers who were opposed to an abandonment of the secular policy of Russia. There was, he added, another point which somewhat perplexed him. He presumed that our Convention, when signed, would be published, and he was puzzled how a preamble would be composed which would satisfy the Persian Government and other countries that we were not proceeding to a division of Persia and were not departing from the principle of the "open door."

I observed to M. Isvolsky that I did not consider that the drafting of a suitable preamble would be a matter of great difficulty. We could place at the beginning a phrase testifying our mutual desire to maintain the integrity and independence of Persia, and we could then proceed to mention that, in view of our respective geographical frontiers marching with those of Persia, it was desirable, in the interests of peace and good order, that neither Great Britain nor Russia should seek or maintain influence in the districts which bordered on the frontier of the other. We could define those districts in the course of our negotiations. We had, indeed, already specified the districts which we considered essential to the security of our frontiers, and I understood from him that what I might term the Russian district would lie in the north of Persia. The two districts would, I trusted, not be contiguous, but that there would be an intervening space between them. To my mind, that was a most desirable condition. We could then obtain from the Persian Government an engagement not to allow either district to be disturbed by admitting another Power to interests in it. No Power could possibly take exception to such an arrangement, as our rights to secure our frontiers from disturbances or interference were incontestable. It would, I said, be well not to mention "spheres of influence or interest." I had not, I added, a ready-drawn formula

to submit to him, but what I mentioned was the general outline, and I knew that it was in accordance with your views.

M. Isvolsky remarked that, as we wished to exclude the grant of concessions to other Powers in our districts, some of the latter—Germany, for instance—might contend that we were not upholding the principle of the "open door."

I replied that I could not agree with that view. It was quite true that we should not admit that other Powers should seek for concessions in our district, and he knew well that concessions for railways and other enterprises in countries such as Persia carried more with them than appeared on the surface. But I did not think that it was desired to shut the door to legitimate commerce, and, in any case, throughout the whole of the rest of Persia the door would be sufficiently wide open to any concessions and trade which other Powers might wish to promote. He had mentioned Germany; was I to understand that that Power had raised any objections to our arriving at an understanding between ourselves?

M. Isvolsky said that he had carefully abstained from allowing Germany to have any insight into the nature of our negotiations, as he considered that these were matters which concerned us alone. Although Germany had shown no disposition to place spokes in our wheel ("de mettre des bâtons dans nos roues"), it was evident that she had no interest in seeing us arrive at an understanding ("elle n'avait pas d'intérêt de nous voir arriver à une entente"). I would naturally recollect what had occurred in the matter of the Anglo-French Agreement in respect of Morocco, and the difficulties in which M. Delcassé had been placed by not having previously or opportunely acquainted the German Government with what had been arranged. Moreover, I had not made it clear to him how the Persian Government would be induced to view with complacency the arrangement which I had sketched. Supposing they were to regard it as a partition, in a disguised form, of their country, and were to turn to Germany to intervene in the matter? I was not to suppose from these observations that he was raising unnecessarily imaginary difficulties to an arrangement. He was wholly and sincerely in favour of our coming to an understanding, but he wished to lay before me the different aspects of the case, especially as it would present itself to other parties, and to show me that the question was not one which could be solved easily or speedily.

I did not think it prudent at our first meeting after his return to go more fully into the attitude and views of Germany, as he may still be under the influence of his recent visit to Berlin, and disinclined to be probed on the matter. I will obtain another opportunity before this messenger leaves of questioning him more closely on the subject, and I did not desire to give him the impression that I was either anxious or distrustful as to what had passed at his interview at the German capital.

Before leaving the question of Persia, I put to him the direct question as to whether the Emperor was still in favour of an understanding with Great Britain. M. Isvolsky replied that undoubtedly His Majesty, was still of the same mind; but that when the question, for instance, of a delimitation of our respective spheres in Persia came before His Majesty, he would naturally consult with his military advisers as well as with the Minister for Foreign Affairs. M. Isvolsky added that he wished to be in such a position on that occasion as to be able to show His Majesty that the weight of argument did not lie on the side of the military.

The impressions which my conversation with M. Isvolsky left on my mind are that, though personally desirous of coming to an arrangement, he is disposed to proceed with extreme and deliberate caution, and to make such slow progress as would unduly prolong the negotiations and permit the introduction of elements which might be of a disturbing character.

It will, I think, be necessary to stimulate M. Isvolsky to proceed more rapidly, and I would suggest that it would be of advantage if I could be furnished with the draft of an Article which would serve as a preamble to our Agreement in regard to Persia, and which would be drawn on the lines which I hastily sketched to M. Isvolsky. I think that if he were placed in possession of such a draft, some of his hesitations would be removed, and he would see that our proposals were not so difficult to frame as he at present appears to imagine. We could in this Article, or Articles, lay down our mutual desire not to disturb the political status of Persia, and also specify the districts in which, in view of the propinquity to the Afghan and Belooch frontiers, we are anxious to maintain peace and order, and in which we could not admit the interference of other Powers.

We should be obliged to leave in blank the districts in which Russia has a similar interest, but this lacuna would afford a good reason for urging the Russian Government

to supply the omissions. I also believe that M. Isvolsky, had he this document in hand, would be in a better position to discuss matters with the Emperor and with his colleagues.

I have, &c.
(Signed) A. NICOLSON.

Inclosure in No. 207.

Lieutenant-Colonel Napier to Sir A. Nicolson.

(Confidential.)
Sir,

St. Petersburg, November 3, 1906.
I HAVE the honour to report that, in accordance with your Excellency's desire that I should endeavour to ascertain what are the views of the military party on the question of an Agreement about Persia, I took the opportunity yesterday, when paying my respects to General Palitzin on my return to duty after a prolonged absence, of sounding him on the subject.

General Palitzin, Chief of the General Staff, is at present, with the exception of the Grand Duke Nicolas, the most influential officer at head-quarters. He received me with great cordiality, and conversed on a variety of topics, so that I was able to introduce the subject of Persia without raising any suspicion of that being the special object of my visit.

General Palitzin expressed himself, I believe sincerely, in favour of friendship with England, and declared that all through Asia we had a great many interests in common, but that the mutual distrust and misunderstandings which had lasted so long could not be put aside in a moment, and made an Agreement very difficult. As regards Persia, he did not believe in, and was opposed to, spheres of influence. In his opinion, it was not a practical policy. The trade of Persia was a matter of real importance, and it was impossible to set limits to its operations, which were governed by the laws of supply and demand, geographical considerations, means of transport, &c., which enabled one or other country to push its trade in various directions at the expense of its rivals. Of course it was possible to divide up Persia; but if Russia and England each took spheres of influence, Germany and other countries would also demand their share, and then we should have to conquer Persia.

General Palitzin did not look with favour on the prospect of the Bagdad Railway with a branch to Khanikin, but thought the prospect was remote, and meanwhile he was not an advocate for prolonging the Russian railway from Erivan towards Tehran. He avoided giving any strategical reasons for his objection to spheres of influence, and I could not press him on that point without putting forward the actual proposals of our Government and betraying my purpose, which your Excellency wished me to avoid.

I have, &c.
(Signed) H. D. NAPIER, Lieutenant-Colonel,
Military Attaché.

37929]

No. 208.

Sir A. Nicolson to Sir Edward Grey.—(Received November 12.)

(No. 737.)
Sir,

St. Petersburg, November 4, 1906.
I INFORMED M. Isvolsky yesterday that I had communicated to you the *aide-mémoire* which he had left with me before his departure from St. Petersburg, in regard to the Meshed-Seistan telegraph line, and that I had since received a reply from you, the substance of which I had consigned in a Memorandum, and which I would ask his permission to read to him. I have the honour to transmit a copy of the document which I read to his Excellency, and which I left with him.

M. Isvolsky observed that the Russian Legation had received an engagement two or three years ago from the Persian Government to permit the installation of the terminal ends of the line in the Russian office, and as the recent measure was merely putting into execution a concession which had previously been granted, he did not see that there had been any disturbance of the *status quo*.

I was proceeding to discuss this point with M. Isvolsky when his Excellency begged me to defer entering into details. He was well aware of the views which we

held, and he promised to look into the matter again very carefully, and examine the document which I had just read to him.

I told him that I would comply with his desire and speak to him later on the subject, but the question was one which should be speedily settled. I shall see M. Isvolsky in a day or two, and press him to give me a reply.

I have, &c.
(Signed) A. NICOLSON.

P.S.—I had the honour to communicate with you on this subject in my telegram No. 286 of the 3rd instant.

Inclosure in No. 208.

Aide-Mémoire.

L'AMBASSADE de Sa Majesté Britannique a eu l'honneur de recevoir l'aide-mémoire que le Ministère Impérial des Affaires Étrangères a bien voulu lui communiquer en date du 27 Septembre (10 Octobre) dernier, au sujet de la ligne télégraphique Méched-Nausretabad. Le Ministère Impérial propose un arrangement qui lui semble devoir concilier les deux parties, et qui consiste d'ajouter des fils spéciaux sur les lignes Téhéran-Méched et de Méched-Nausretabad, qui devraient être inclus dans des appareils Russes et Anglais respectivement. L'Ambassade de Sa Majesté Britannique croit devoir faire observer que les mesures qui ont été prises récemment sur la ligne Méched-Nausretabad ont eu pour résultat de transférer le contrôle de la ligne des mains des autorités Persanes aux mains des autorités Russes; et elles constituent aux yeux du Gouvernement de Sa Majesté Britannique une modification sensible du *statu quo*, à un moment où des négociations ont été ouvertes entre les deux Gouvernements au sujet de certaines questions en Asie Centrale.

Jusqu'au mois de Juin dernier, la ligne de Seistan aboutissait dans le Bureau Persan, et les télégraphistes Persans cedaient à des heures fixes l'emploi de la ligne aux télégraphistes Russes et Anglais. Dernièrement le fil a été transféré dans le Bureau Russe, qui par conséquent a le contrôle effectif sur toute communication télégraphique entre Méched et Seistan. A ce sujet l'Ambassade Britannique se permet de mentionner par parenthèse que depuis le transfert au Bureau Russe, des délais sont survenus dans la transmission des messages entre la Légation Britannique et Seistan, et que le Consul Anglais à Turbat-i-Haidari rencontre des difficultés dans ses communications avec les stations intermédiaires.

L'Ambassade Britannique voudrait ainsi faire remarquer que le compromis proposé par le Ministère Impérial présente des inconvénients du point de vue technique et financier, car il entraînerait des dépenses aux deux Gouvernements qui ne seraient nullement comblées par les recettes. Du reste, le Gouvernement Britannique ne se trouve pas à même de souscrire à un arrangement, même provisoire, qui n'est pas en harmonie avec certaines propositions que l'Ambassade Britannique a soumises au Ministère Impérial dans le but de faciliter un arrangement entre les deux pays pour régler leurs relations avec la Perse.

L'Ambassade Britannique, animée toujours du désir de faciliter les négociations qui sont si heureusement entamées avec le Ministère Impérial sur plusieurs questions pendantes, propose ou de remettre les choses dans l'Etat où elles étaient avant le transfert de la ligne au Bureau Russe, c'est-à-dire, avant le mois de Juin (n.s.), jusqu'à ce qu'un accord définitif sur la Perse soit survenu, ou de faire un échange, comme il a déjà été proposé entre les deux lignes de Téhéran-Méched et Méched-Nausretabad.

L'Ambassade Britannique aime à croire que le Ministère Impérial voudrait bien adopter une des deux solutions qu'elle a l'honneur de lui soumettre.

Le 21 Octobre (3 Novembre), 1906.

[37930]

No. 209.

Sir A. Nicolson to Sir Edward Grey.—(Received November 12.)

(No. 738. Confidential.)

Sir,

I CALLED on the German Ambassador to-day, who conversed with me as to the visit of M. Isvolsky to Berlin, where the latter had created a most favourable impression, and had been, he thought, gratified by the cordial reception which had been accorded to him. M. de Schoen said that M. Isvolsky had appeared anxious to ascertain the views of the German Government in regard to the negotiations between the Governments of Great Britain and Russia in respect to Persia, and he trusted that any uneasiness which his Excellency might have felt with regard to the attitude of Germany had been dispelled.

Germany, M. de Schoen continued, had no desire to place any obstacles in the way of an understanding between Great Britain and Russia, and had no wish to secure any concessions for herself in Persia either as to banks or railways. All that she desired was that the principle of the open door should be upheld as regards trade. No German bank appeared to be desirous of establishing an institution in Persia, where the Imperial Bank already occupied the ground. There had been some absurd talk in the papers of Germany establishing schools, and even a University at Tehran. Nothing could be farther from the fact; all that had been done was to open a German school for little German girls. He understood from M. Isvolsky that our negotiations were likely to last for some time, as there was considerable opposition to be overcome in certain quarters in Russia, and that after having terminated our discussions as to Persia, we should then deal with Afghanistan and Thibet, in regard to which he presumed there would be no difficulty.

I told M. de Schoen that our negotiations in regard to Persia had for their main object the removal of all possible causes of friction between the two countries; that the principle of the open door was a cherished one in my country; and that it was possible that our negotiations would proceed slowly, as it would take time to create a fresh departure from the traditional policy which had hitherto been pursued, and which was only of advantage to the politicians of Persia who delighted in playing one country off against the other.

M. de Schoen voluntarily touched the subject of our negotiations, and I will communicate to M. Isvolsky the substance of our conversation at my next interview with him. I reported the outline of the above conversation in my telegram No. 289 of to-day's date.

I have, &c.
(Signed) A. NICOLSON.

[37937]

No. 210.

Sir A. Nicolson to Sir Edward Grey.—(Received November 12.)

(No. 745.)

Sir,

I TOOK an opportunity, at the weekly reception of M. Isvolsky to-day, to give him the substance of the remarks which the German Ambassador made to me a day or two ago on the subject of the attitude of the German Government towards the negotiations between Russia and Great Britain in regard to Persia, and which I had the honour to report to you in my despatch No. 738, Confidential, of the 5th instant.

M. Isvolsky said he was gratified to receive the information which I had given him, and was pleased with the reply which I had made to my German colleague, as it was conceived in the sense of the language which he had himself held at Berlin.

M. Isvolsky said that he had, he confessed, always been a little uneasy as to the attitude of Germany, and was afraid that she would suddenly appear as a *Deus ex machina*, and place obstructions at Teheran in the way of our negotiations. He had, therefore, determined to broach the subject himself at Berlin, and ascertain directly what views were held by the German Government. He had told Prince Bülow that the negotiations which he was conducting in St. Petersburg were not conceived in any hostile sense towards Germany, but had simply for object the removal of all causes of friction between the two countries in Central Asia, and the establishment of more amicable relations

[38131]

No. 210*.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 12.)

(No. 336.)

(Telegraphic.) P.

MESHER-SEISTAN line.

I was told to-day by the Russian Minister that he had had instructions from his Government to speak to me on the subject of the Meshed-Seistan line. His proposal apparently is that the English should be allowed to acquire the Seistan-Robat link and that the whole line from Tehran to Seistan should be under joint control. He further informed me of the existence of a cypress forest which would afford abundant material for telegraph poles, and suggested that we should make a joint demand to the Persian Government for the monopoly of exploiting it.

It was absolutely necessary for Russia, he said, to have means of securing early information of the advance of plague. He laid great stress upon this.

I told him in reply that no instructions on the subject had reached me from my Government.

[1682]

2 Q²

between Great Britain and Russia. He had carefully abstained—and he particularly begged me to inform you of this—from giving Prince Bülow any insight into the nature of our negotiations, or into the tenor of the proposals which we had respectively made to each other. It would be undignified on our part to acquaint a third Power with the details of our discussions, and he should certainly decline either to take any one into our confidence or to submit any conclusions to which we might arrive to the approval of another party. Our negotiations were matters which concerned us alone.

His Excellency said that he had told Prince Bülow further that he, for his part, would always be careful to avoid taking any step which could injure the legitimate interests of Germany, or indeed of any Power, and had added that to enable him to guide his course it would be desirable if the German Government would indicate what interests they had in Persia, which they would desire to preserve intact.

Prince Bülow had replied that the only interests with which Germany was concerned were the Bagdad Railway and an open door for her commerce.

M. Isvolsky said that this statement, corroborated as it had been by what M. von Schoen had told me, relieved his mind, and gave him every hope that the course of our negotiations would continue without interruption. He had, he said, previously observed that there had been misgivings in the German mind that an understanding between Great Britain and Russia would in a sense isolate Germany, and that she would see growing round her a ring in which she would be confined. He thought he had satisfied the German Government that there was no such intention, and he was glad that I had employed to M. von Schoen the phrase that the main object of our negotiations was to remove "causes of friction," as these were the identical words which he had used at Berlin. No doubt M. von Schoen had been instructed to give me the assurances which he had spontaneously conveyed to me, and he was of opinion that the atmosphere was considerably cleared.

M. Isvolsky said that his course was not without difficulty. He was most honestly and sincerely desirous of coming to a thoroughly friendly understanding with us, but he had to walk with care and prudence, as the maintenance of good relations with Germany was very essential. His visit to Berlin had removed much uneasiness which he had previously felt, and he wished to assure me that he had found in his conversations at Berlin no suspicions or misgivings. They had put to him no leading or embarrassing questions, nor had they evinced any desire to ascertain on what lines our discussions were proceeding.

He added that the Councillor of the German Embassy, M. von Miquel, had intended to make a journey to Persia, but had now abandoned it owing to the lateness of the season. This, he imagined, was an excuse, and he believed that he had received instructions to desist from his project.

I told M. Isvolsky that I had been a little surprised at M. von Schoen mentioning to me that Germany did not intend to establish a bank at Teheran, as I had understood that a concession had already been granted and was on the point of being put into execution. His Excellency said that the concession had undoubtedly been accorded, and the magniloquent language which the German Chargé d'Affaires had held at Teheran in regard to it had caused him some anxiety. He had, however, ascertained that the Chargé d'Affaires had allowed himself to hold language which was not authorized, and that, hitherto, no German bank had been willing to undertake an enterprise which offered little remunerative prospects. In any case, he had been assured at Berlin that the bank would have no political character or aims, and would merely serve as an intermediary for purely commercial interests.

M. Isvolsky assured me again that his mind was now at ease, and that he intended to devote all his energies towards facilitating an understanding with Great Britain, which he was convinced was the right policy for his Government to pursue.

I have, &c.
(Signed) A. NICOLSON.

[38169]

No. 211.

India Office to Foreign Office.—(Received November 13.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Mr. Secretary Morley, forwards herewith, for the information of the Secretary of State, a paraphrase of a telegram from the Viceroy, dated the 11th instant, relative to the Meshed-Seistan telegraph line.

India Office, November 12, 1906.

Inclosure in No. 211.

Government of India to Mr. Morley.

(Telegraphic.) P.

PERSIAN negotiations. Your telegram of the 5th instant.

We desire to express our entire concurrence in the attitude which His Majesty's Government have taken up as regards the Meshed-Seistan line. We venture to direct attention to the fact that the material for the extension of the existing line to Robat is still stored at Robat, and that construction of link could be commenced by 20th proximo. We would not, however, put the extension forward as in any way a complete set-off against action of Russia in respect of main line.

It may, perhaps, be thought desirable by His Majesty's Government, in the event of a refusal by Russia to accept the alternatives now offered, to equalize in some degree the position in Seistan by taking measures to secure construction of the Robat extension. The real solution of the difficulty, however, lies in the exchange which His Majesty's Government have already suggested to Russia. There can be no doubt that no further objection would be raised to the construction of the link if Russia accepts proposal of His Majesty's Government.

(Repeated to Tehran.)

November 11, 1906.

[38301]

No. 212.

India Office to Foreign Office.—(Received November 14.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Mr. Secretary Morley, forwards herewith, for the information of the Secretary of State, copy of inclosures in a letter from the Foreign Secretary to the Government of India, dated the 4th October, relative to Bahrain affairs.

India Office, November 13, 1906.

Inclosure 1 in No. 212.

Government of India to Major Cox.

Simla, August 14, 1906.

Sir,
I AM directed to refer to your letter, dated the 25th February, 1906, regarding the administration of the customs at Bahrain.

2. Since that letter was written, you have recorded a later expression of your views in a Memorandum, dated the 2nd July, 1906. In this Memorandum you have recommended that you should be authorized to address a friendly letter to Sheikh Esa, drawing his attention to the great increase in the trade of the port; pointing out how very much less he realizes than he ought to from his customs; and stating that, in view of this fact and in order to improve his finances, you would be prepared to advise the Government of India to make him an offer of 3 lakhs of rupees per annum for the farm, with an advance of 1½ lakhs to relieve him from financial difficulties. You have suggested that you should put this forward as your own idea, which you cannot lay before the Government of India, unless he gives you a preliminary assurance that he will consider the offer favourably.

3. The Government of India see no objection to the action proposed, and would be prepared, subject to the approval of His Majesty's Government, to agree to the terms suggested, provided that it is clearly understood that the Government of India can only take the farm of the entire customs and not of a mere portion thereof.

I have, &c.

(Signed) L. DANE.

[38224]

No. 211 A.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 13.)

(No. 337.)

(Telegraphic.) P.

Tehran, November 13, 1906.

MY despatch No. 231 of the 12th September: Shiraz.

After a long series of intrigues conducted by the Grand Vizier on behalf of Shoa-es-Saltaneh, the present Governor of Shiraz, who is a capable and energetic man, has been removed from his post, and an official who two years ago was expelled from Khorassan on account of the riots at Meshed has been appointed in his place. The new man is reported to be weak and incapable.

As a protest, 2,000 persons have already taken refuge in the telegraph office at Shiraz, and there is certain to be serious trouble throughout Fars if the Persian Government persist in the measure. I have sent in an unofficial protest to the Persian Government, and informed them that we will hold them responsible for any loss or damage resulting to British subjects, whether on the roads or in Shiraz itself.

The instructions contained in your telegram No. 89 will not be lost sight of.

[38230]

No. 211 B.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 13.)

(No. 338.)

(Telegraphic.) P.

Tehran, November 13, 1906.

PERSIAN loan.

Contract for advance is not yet signed.

To-day M. Naus received a visit from two Members of the National Assembly, who explained that that body strongly objected to the pledging of the revenues of the country for foreign loans.

Inclosure 2 in No. 212.

Major Cox to Government of India.

(Confidential.)

Bushire, September 1, 1906.
 I HAVE the honour to acknowledge receipt of Foreign Department letter, dated the 14th August, regarding the administration of the customs at Bahrein, and beg to attach copies of the informal letter which I addressed to Sheikh Esa on the subject and of his reply. I thought it might confuse him if I went into the details of the figures in writing, and I therefore asked Captain Prideaux to offer to explain them to him personally when delivering my letter.

2. The Sheikh's reply is much what I feared it would be; a friendly but absolute refusal to entertain my proposals.

I cannot think of any further possibility in the way of friendly overture on our part, and it remains for the Government of India to decide, on the facts before them, what line they will now pursue. I agree with Captain Prideaux in thinking that if it is considered inexpedient to assume management of Sheikh Esa's customs before January 1908, when the present farm falls in, it would be better for us to inform the Sheikh forthwith that, with the proviso that we could not permit any lease to a foreign agency, we propose to leave him to his own short-sighted devices, and that he is therefore at liberty, if he chooses, to resell the farm to the Bania contractors; this, in our opinion, being a preferable alternative to his attempting to manage the customs collection by his own untrained retainers.

3. There is one point which I may briefly allude to in conclusion. As Captain Prideaux mentions in his note of the 18th June, there is no doubt that Messrs. Gray, Paul, and Co., or for that matter Herr Wonckhaus' firm, would be glad enough to acquire the farm if they could. Captain Prideaux deprecates this contingency on the ground that if either of the European firms obtain the lease, he believes that there would be continual effort on its part to injure the other and its clients. I am not sure that I agree with him in principle.

Messrs. Gray Paul, & Co. are a British firm of repute, and would I think keep their competitive amenities within reasonable limits, and for the rest it becomes merely a question of our supporting a British firm and British trade against a German firm and the inroads of German trade. Anything that we can legitimately do to further our interests seems to be desirable.

In the present instance, however, Sheikh Esa is the difficulty, and I fear it is extremely unlikely that he would entertain an offer from Messrs. Gray, Paul, at present at all events.

Inclosure 3 in No. 212.

Major Cox to Sheikh Esa.

(After compliments.)

August 14, 1906.

I TRUST that you and your family have remained in the best of health during my absence in India.

I write you this informal letter to let you know that since my return to Bushire I have received and studied the several annual Reports of our Representatives in the different posts under this Residency, both in Persia and on the Arab side, regarding the progress of trade and events in the countries in which they reside. In this connection I have been much gratified to find from the Reports of Captain Prideaux, your Political Agent, that the value of merchandize which has come and gone to and from your port of Bahrein has greatly increased during the past year. This is indeed very satisfactory from one point of view; but it at the same time accentuates the regret which I feel by reason of your not personally benefiting by the improvement as you should; and this is owing to the conditions under which you farm out your customs in advance and draw the income before it is due. Under such conditions all the profits go to the farmers, and you yourself are denied the complete benefit of your revenue. Seeing that this is the case, I am anxious to make you a friendly personal suggestion for your consideration with a view to the improvement of your circumstances and the replenishment of your treasury.

What suggests itself to my mind is this: If you agree, when I inform my Government of the increase in the prosperity of Bahrein, I would be prepared to suggest to them that they should make you an offer, on business lines, to take over the

customs farm for three years, and should pay you for it 3,00,000 rupees per annum; and that from the date of taking them over they should make you an advance from these 3 lakhs of a sum of 1½ lakhs.

Then you would be able to liquidate from the amount advanced all the debts which you at present owe, and to set your mind at ease on that score. And this amount, which would be paid to you in advance, you might conveniently pay back by instalments of 50,000 rupees per annum from the customs revenue; and the yearly balance of 2,50,000 rupees might be paid to you at the rate of 20,000 rupees per month, subject to deductions for expenses of administration.

On the expiry of the three years aforesaid, Government and yourself might examine the accounts and decide whether the amount in future required to be enhanced or reduced, and a new figure could be fixed according to requirements.

The above details are my own suggestion, made to you personally in a friendly way, but I could not mention them to the great Government vainly. I hope, therefore, that you will kindly send me an answer as to whether or not you are prepared to consider the matter seriously and favourably. I am sure that you would find my proposals most profitable to yourself and your house, and I hope that your friendliness will prompt you to ponder over them and give them full consideration.

This is what had to be explained. May you be preserved and salaam.

Inclosure 4 in No. 212.

Sheikh Esa to Major Cox.

(Translation.)

(After compliments.)

2nd Rajab, 1324 (August 23, 1906).

I AM in receipt of your esteemed letter dated Jamadi-Al-Thani of the current year, and I have been duly and fully informed of what you conveyed to me, especially your advice to me about the customs, and your wish that more of the great profit should reach me. This is due to your pure kindness and hearty solicitude for my welfare. But, great and good sir, several times previously have I begged to be excused about the leasing out of the customs, the reason being that I expected a greater return of revenue from them, and that I am assured of the undesirability (of farming it out) to the farmers. I have therefore restricted myself in taking (advances) from the said farmers, believing that on the expiry of their term of farm I will appoint one who will hold the receiving of revenue. Now, in the term of their farm is left no more than some months over a year, after which the customs will come under my hands, and whatever increase will result will accrue to me.

Your friend begs you to accept his excuse.

Inclosure 5 in No. 212.

Captain Prideaux to Major Cox.

Bahrein, August 24, 1906.

I DELIVERED your letter about the customs to Sheikh Esa personally, and told him that you had desired me to explain to him any figures that he might wish to have a fuller understanding of.

The Chief thanked me, but did not open the letter in my presence, and on the following day he sent the enclosed reply for you, which I have also had translated.

If Government now decide not to issue the Chief a command on the subject, I hope they will soon let him know that they allow him to treat this source of revenue in the same way as before, if he chooses to do so, as I am quite certain that the administration by his own servants will not be a success.

Inclosure 6 in No. 212.

Government of India to Major Cox.

(Confidential.)

Sir,

I AM directed to acknowledge the receipt of your letter, dated the 1st September, 1906, intimating that Sheikh Esa has declined to consider your informal suggestion that he should grant a lease of the Bahrein customs to the Government of India.

2. I am desired to inform you that the Government of India do not consider that it would be expedient to take any further action in the matter at present. In the event of trade being hampered by the Sheikh trying to manage the customs himself, or of his proposing to make them over to subjects of foreign Powers, a suitable opportunity may present itself for interfering effectively in the administration of the customs. I am therefore to request you to watch the course of events very carefully, and to keep the Government of India informed as to what the Sheikh proposes to do.

I have, &c.
(Signed) R. E. HOLLAND.

[38296]

No. 213.

India Office to Foreign Office.—(Received November 14.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Mr. Secretary Morley, forwards herewith, for the information of the Secretary of State, a paraphrase of a telegram to the Viceroy, dated the 7th instant, relative to the Bahrein customs.

India Office, November 13, 1906.

Inclosure in No. 213.

Mr. Morley to Government of India.

(Telegraphic.) P.

November 7, 1906.

REFERENCE is invited to correspondence sent with Secretary's letter of 4th ultimo regarding Bahrein customs. Please see third paragraph of Secret despatch of the 10th November, 1905, from my predecessor. Before any decision is taken of the kind indicated by Dane in last paragraph of Government of India's letter of the 14th August last to Resident, Persian Gulf, I presume I shall be consulted.

[38289]

No. 214.

Admiralty to Foreign Office.—(Received November 14.)

(Confidential.)

Sir,

Admiralty, November 13, 1906.

WITH reference to your letter of the 19th ultimo relative to the status of Halul Island, I am commanded by my Lords Commissioners of the Admiralty to acquaint you, for the information of the Secretary of State for Foreign Affairs, that they have no information respecting the political status of this island.

It appears to my Lords that no coaling station is likely to be established by any one on an exposed island with no harbour and no water, and where the conditions of weather are such that sudden shifts of wind to a direction opposite to where it has been blowing are by no means unlikely.

A copy of this letter has been sent to the India Office.

I am to request that another copy of the print inclosed in your letter Persia, Confidential, of the 3rd ultimo, may be forwarded to this Department for transmission to the Commander-in-chief on the East Indies Station.

I am, &c.
(Signed) C. I. THOMAS.

[38362]

No. 215.

Sir A. Nicolson to Sir Edward Grey.—(Received November 14.)

(No. 292.)

(Telegraphic.) P.

St. Petersburg, November 14, 1906.

WITH reference to Sir C. Spring-Rice's telegram No. 333 respecting the joint advance to Persia, I am told by Minister for Foreign Affairs that he has received information as to the difficulties which the Mullahs are creating: they require submission to the Persian Assembly of a loan or advance of any kind.

M. Isvolsky said that the money was there, and could be had upon the conditions agreed upon between us; he did not feel inclined to press the advance upon the Persian Government. I observed that as the Persian Government had not yet settled their domestic differences it seemed to me that we could well afford to wait until they had done so.

[38363]

No. 216.

Sir A. Nicolson to Sir Edward Grey.—(Received November 14.)

(No. 293.)

(Telegraphic.) P.

St. Petersburg, November 14, 1906.

MINISTER for Foreign Affairs to-day expressed regret at not being able to reply to my last proposals respecting the line between Meshed and Seistan, matters respecting a sanitary cordon, &c., being involved in the question. I hope that an intention of exchanging the lines is hereby indicated. M. Isvolsky hopes within the next few days to be in a position to give me a reply.

[38224]

No. 217.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 206.)

(Telegraphic.) P.

SITUATION in Shiraz.

Foreign Office, November 14, 1906.

I entirely approve your action as reported in your telegram No. 337 of yesterday

[38391]

No. 218.

India Office to Foreign Office.—(Received November 15.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Mr. Secretary Morley, forwards herewith, for the information of the Secretary of State, copy of inclosures in a letter from the Foreign Secretary to the Government of India, dated the 27th September, relative to the refusal of the Sheikh of Bahrein to grant the request of a German trade representative for permission to put up a flagstaff and fly a flag on it whenever a German steamer was in port.

India Office, November 14, 1906.

Inclosure 1 in No. 218.

Major Cox to the Government of India.

(Confidential.)

Bushire, September 1, 1906.

I HAVE the honour to report that the German representative of Messrs. Woneckhaus and Co. has written to the Sheikh of Bahrein asking for permission to put up a flagstaff and fly a flag on it whenever a German steamer may be in port. The pattern of the flag was not indicated in his letter to the Sheikh, but Mr. Eisenhut informed Captain Prideaux that he eventually wished to fly the flag of the Hamburg-American Line, but

No. 216*.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 14.)

(No. 339.)

(Telegraphic.) P.

Tehran, November 14, 1906.

PERSIAN loan.

In Tehran papers are being distributed in the streets protesting against the Anglo-Russian advance. They stigmatize it as a betrayal of Persian interests and brand the Sadr Azam as a traitor to his country.

that meanwhile, in the case of the first visit or two of the latter Company's steamers, he would like to fly the German flag. I may mention that he was expecting the German Consul, Bushire, as a passenger by the first steamer.

2. The Sheikh replied that the proposal constituted an innovation, and regretted that he did not see his way to consent, and he told Captain Prideaux in conversation that he objected strongly. Mr. Eisenhut then asked Captain Prideaux to move me in the matter, and the latter asked for instructions as to what to reply.

I was obliged to send him a reply by the same steamer, and informed him on the 29th ultimo that the matter primarily rested with the Sheikh's pleasure, and that as the British India Company's agent at Bahrein had never been permitted to fly a flag, there seemed no reason why the German Line should be treated differentially. I authorized him to maintain that attitude until I had been able to refer the question for the views of Government.

3. It may be remembered that the same question occurred at Muscat in the case of M. Goguyer, who was very anxious to fly the flag of the Russian-Odessa Line, of which he was agent. On that occasion His Highness the Sultan refused to acquiesce on the same grounds—namely, that the agents of the three or four other lines which plied regularly to Muscat had not been so permitted, and that there was no reason for any fresh departure now.

In Bushire, the agents for the various Steam-ship Companies are indeed allowed to fly flags, but this is a more civilized port, where the nature of flags is less likely to be misunderstood. On the Arab side there are, in my opinion, objections to the multiplication of flags and flagstaffs, especially those of foreign nationality, and if the Government of India see no objection, I think we should support the Sheikh in his desire to keep them out.

Inclosure 2 in No. 218.

Government of India to Major Cox.

Sir,

Simla, September 27, 1906.

I AM directed to acknowledge the receipt of your letter, dated the 1st September, 1906, reporting that the German representative of Messrs. Wonckhaus and Co. wrote to the Sheikh of Bahrein asking for permission to put up a flagstaff and fly a flag on it whenever a German steamer was in port, and that the latter declined to comply with the request.

2. I am to request that Captain Prideaux may be authorized to inform the Sheikh that the Government of India approve of his refusal. He should, however, suggest in the way of friendly advice that in future the Sheikh would do well to consult him before giving replies to commercial and other nationals of foreign Powers, as the adoption of this course might prevent future trouble.

I have, &c.
(Signed) R. E. HOLLAND.

[38474]

No. 219.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 15.)

(No. 340.)

(Telegraphic.) P.

GOVERNOR of Shiraz.

A joint note was sent in yesterday by the Russian Minister and myself. We protested strongly against the proposed change, and urged that the present Governor should be retained.

Tehran, November 15, 1906.

[38446]

No. 220.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 15.)

(No. 341.)

(Telegraphic.) P.

PERSIAN loan.

I am told that the National Assembly have asked the Persian Government for a week's delay before giving any definite decision as to whether they will give or refuse their consent to the advance.

[38570]

No. 221.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 16.)

(No. 342.)

(Telegraphic.) P.

PERSIAN loan.

Both here and at Tabreez organized popular opposition to the Anglo-Russian advance is increasing.

The last paragraph of Sir A. Nicolson's telegram No. 292 meets with my entire concurrence.

[37829]

No. 222.

*Foreign Office to Persian Transport Company.**Foreign Office, November 16, 1906.*

Sir,

I AM directed by Secretary Sir E. Grey to acknowledge the receipt of your letter of the 9th instant on the subject of the Bakhtiari road.

I am to inform you that a copy of this letter will be forwarded to His Majesty's Minister at Tehran for his observations and for such action as he may consider it advisable to take in the matter.

I am, &c.
(Signed) E. GORST.

[37927]

No. 223

Sir Edward Grey to Sir A. Nicolson.

(No. 521. Confidential.)

Foreign Office, November 17, 1906.

Sir,

I HAVE received your Excellency's despatch No. 735 of the 4th instant, reporting a conversation with the Russian Minister for Foreign Affairs on the subject of the understanding respecting Persia.

I approve the language which you held to M. Isvolsky on this occasion, and I inclose the sketch of a draft Agreement which you are authorized to communicate to his Excellency.

I am, &c.
(Signed) EDWARD GREY.

Inclosure in No. 223.

Draft Agreement.

THE Governments of Great Britain and Russia, being mutually pledged to respect the integrity and independence of Persia, and animated by a sincere desire for the maintenance of good order and pacific development throughout the Persian Empire, as

well as for the establishment of equal opportunities for the commerce and industry of all nations, have resolved that a Convention be concluded between them in the following terms:—

The Governments of Great Britain and Russia mutually recognize that each has, for geographical and economic reasons, special interest in peace and order being maintained within certain provinces of Persia contiguous with, or in proximity to, the Russian frontier on the one hand, and the frontiers of Afghanistan and Beluchistan on the other; and each of the two Governments, being impressed with the detrimental effects of local friction on their relations with Persia and with one another, is anxious to avoid all ground for interference with the special interests of each in the Persian provinces to which reference has been made above.

It is therefore hereby agreed as follows:—

1. Great Britain engages not to seek or maintain for her own account, or on behalf of British subjects, any concessions of a political or commercial nature within a line and not to obstruct, directly or indirectly, applications for such concessions in that region supported by the Russian Government.

2. Russia, on her part, engages not to seek or maintain for her own account, or on behalf of Russian subjects, any concessions of a political or commercial nature within a line passing from the Afghan frontier through Gazik, Birjand, Kerman, and Bunder Abbas and the frontiers of Afghanistan and Beluchistan, and not to obstruct, directly or indirectly, applications for such concessions in that region supported by the British Government.

[38941]

No. 224.

Sir A. Nicolson to Sir Edward Grey.—(Received November 19.)

(No. 295.)

(Telegraphic.) P.

St. Petersburg, November 19, 1906.

REFERRING to the question of the line from Meshed to Seistan, I mentioned to the Minister for Foreign Affairs that the question respecting some arrangement for a joint control of the lines from Tehran to Seistan had formed the subject of a conversation between Sir C. Spring-Rice and the Russian Minister at Tehran. M. Isvolsky had not heard of the above proposal, but had asked M. Hartwig for information on the subject. I agreed with him in thinking that an exchange of views between the two Ministers could not be productive of harm. We discussed the question of a return to the *status quo ante*, which formed the subject of a Memorandum I had left with him. His Excellency hoped I would give him a little more time before replying to this Memorandum, as he was in course of consulting the Sanitary and other Departments in the matter.

[39036]

No. 225.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 20.)

(No. 343.)

(Telegraphic.) P.

Tehran, November 20, 1906.

YOUR despatch No. 155: Decoration for Valiahd.

I agree with the arguments advanced in Mr. Grant Duff's despatch No. 223, especially with argument No. 5. However, in anything connected with the Valiahd the Russians are particularly sensitive, and I would suggest that the matter be referred to St. Petersburg, using the argument that conferring a decoration on the Valiahd would show publicly that we recognize him as heir to the throne.

No. 226.

[39272]

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 22.)

(No. 346.)

(Telegraphic.) P.

PERSIAN Loan.

I was told to-day by the Minister of Finance that the National Assembly had summoned him to appear before them in order to explain the financial situation. His Excellency does not believe that the advance will be accepted for the present, as strong feeling was displayed against a foreign loan of any sort. This feeling may change, however, as money is badly wanted at present in Tehran.

(Confidential.)

The Minister went on to say that he suspected certain persons of organizing the opposition with a view to securing a loan from another source.

There is no doubt, however, that the idea of a foreign loan of any kind is meeting with strong popular objection, based not on anti-foreign sentiment, but on mistrust of the existing Government.

[39273]

No. 227.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 22.)

(No. 347.)

(Telegraphic.) P.

GOVERNOR-GENERAL of Fars.

Ala-ed-Dowleh has been recalled from Shiraz by special orders from the Shah in spite of strong representations addressed to the Sadr Azam and the Minister of the Court by the Russian Minister and myself. Ala-ed-Dowleh left Shirez at midnight on the 20th November.

My Russian colleague and I have, however, been successful in preventing a very bad appointment on which the Government had decided, and there is reason to believe that the late Vizier of the Valiahd at Tabreez will be the new Governor-General. He is a capable man, but is 70 years of age.

A very bad effect will be produced at Shiraz, and especially among the tribes along the Bushire road, by the change of Governors, which is due to the desire of Palace clique to get the Crown lands into their hands before a new Shah comes to the throne.

[36264]

No. 228.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 174.)

Sir,

I HAVE received your despatch No. 265 of the 11th ultimo, respecting the recent demonstrations made by the Reform party in Tabreez.

I concur in your proposal to approve Mr. Wratislaw's action, and to convey to Mr. Vice-Consul Stevens the thanks of His Majesty's Government for his services on this occasion.

I am, &c.

(Signed) EDWARD GREY.

[39036]

No. 229.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 175.)

Sir,

I HAVE received your telegram No. 343 of the 20th instant, concurring in the views expressed by Mr. Grant Duff in his despatch No. 233 of the 10th September last, as to the desirability of conferring a decoration on his Highness the Valiahd.

161

I have to inform you that in the present precarious state of the health of His Majesty the Shah, His Majesty's Government consider that such a step might lead to erroneous interpretations, and that no action should be taken in the matter for the present.

I am, &c.

(Signed) EDWARD GREY.

[39509]

No. 230.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 25.)

(No. 348.)

(Telegraphic.) P.

PERSIAN loan.

Tehran, November 25, 1906.

Popular opposition is still strong. An attack on the Assembly is being planned by the Court party, who are anxious to get hold of the money. The Minister of the Court has been warned by the Russian Minister and myself that our Governments, while not interfering in internal politics, would be hostile to any party taking the aggressive, and so leading to disturbance of order. Members of the Assembly came to me to make inquiries, and I gave them a similar warning.

Attempts are being made by the Court party to get rid of Sadr Azam (who is opposed to accepting the loan without the consent of the Assembly, to which he is friendly) and appointing the Nizam-es-Saltaneh in his stead. The Nizam is not on good terms with the Valiahd, and the object of the Court party probably is to prevent the Valiahd proceeding to Tehran when the Shah dies, and to put the Shoa-es-Saltaneh in power. The Shah's death is now regarded as imminent. He is stated to be sinking rapidly, and is completely in the hands of the Court party.

[39510]

No. 231.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 25.)

(No. 349.)

(Telegraphic.) P.

SHAH'S health: My telegram No. 348.

Tehran, November 25, 1906.

In the hearing of his English doctor the Shah yesterday expressed his regret that he had nominated the Valiahd to succeed him on the throne.

[39513]

No. 232.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 26.)

(No. 271.)

Sir,

I HAVE the honour to acknowledge with thanks the interesting Memorandum from Messrs. Lynch, which you were good enough to communicate to me in your despatch No. 142 of the 27th September.

I have not failed to forward copies to His Majesty's Consular Representatives in South Persia for their observations.

I venture to point out that there is a great difference between the very expensive and, as yet, unremunerative roadways constructed in North and Central Persia at the instance of the Russian Department of Finance at the expense of the Russian taxpayer and the courageous but somewhat scantly endowed enterprises undertaken in South Persia by a private Company, with the support—almost entirely confined to diplomacy—of His Majesty's Government.

Messrs. Lynch are, I believe, correct in their supposition that motor lorries are shortly about to be introduced in Northern Persia, and in default of roads suitable to such traffic in Southern Persia British trade will certainly be at a great disadvantage.

The solution of this difficulty is either (1) that His Majesty's Government should obtain the consent of Parliament to a grant for the construction of roads in South Persia; or (2) that a British Company like Messrs. Lynch should construct the road

either as a speculation for general traffic or as a monopoly for their own use; or (3) that such roads should be constructed by other Governments or associations, Persian or foreign.

I should be glad to be informed, in case I am approached by any parties as to a scheme for road construction in South Persia similar to that inaugurated and partly carried out in Northern Persia by the Russians, what are the views of Messrs. Lynch as to participation in such an undertaking, which would undoubtedly be to the benefit of all sea-borne trade.

In the meanwhile I will not fail to bear in mind the considerations set forth in the Memorandum.

I have, &c.
(Signed) CECIL SPRING-RICE.

[39515] No. 233.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 26.)

(No. 273.)

Tehran, October 23, 1906.

Sir, I HAVE the honour to acknowledge the receipt of the despatch No. 145 of the 3rd instant, in which you requested me to furnish you with my opinion as to how far His Majesty's Government could accept the recently promulgated law relating to jurisdiction in civil and criminal cases in which foreigners may be involved in this country.

The law as it stands is objectionable in many points, but it would be superfluous for me to examine them, as there are other and independent considerations which, in my view, make it quite impossible for us to admit Persian jurisdiction over foreigners in the present primitive condition of the country.

I am well aware that under the adequate guarantees afforded by the system of Consular assistance, foreigners in Turkey are justiciable in the native Courts; but it should be remembered that in Turkey, side by side with the Sheri law, there is an elaborate code of civil and criminal jurisprudence; nothing of the kind, however, exists in Persia, so that the law to be administered by the Tribunals under the new law would be the Islamic law based on the Koran. Enlightened exponents may deny that the Koran discriminates between the Giaour and the True Believer, but there is plenty of authority for holding the opposite view and placing the Christian, as compared with the Moslem, in a position of inferiority before the law. With the prejudiced or corrupt Judges who would assuredly be appointed in this country the door would, if we accepted the new law, be left open to the perpetration of every kind of legal injustice towards Christians, and the fact that the decision of the Court was given in accordance with the law of Islam would make it a matter of difficulty to obtain its reversal by the Persian Government through diplomatic intervention.

I may point out also that the Sheri law is totally unsuited to the complex conditions of modern life; and even if it were possible to insure impartial justice between Christians and Moslems, it would be in the last degree undesirable that we should accept any law having the same object as that now under consideration until a code in accordance with modern requirements has been put into force. When that is done it will be time enough for us to consider what safeguards in the shape of Consular assistance, &c., in which the new law is strikingly deficient, will be necessary for the adequate protection of foreigners.

Primitive and informal as the existing system is, I feel that under it foreigners have a far better prospect of obtaining substantial justice than under the new law.

I have ascertained that neither the French, Turkish, nor the German Legations have received official information of its existence, and that the Russian Minister, who has received a copy, has replied that, as it is inconsistent with the existing Treaty stipulations, his Government cannot admit of its being enforced as regards Russian subjects. He tells me that he thinks it desirable that His Majesty's Government should reply in the same sense, and I propose, with your approval, to take this course.

I have, &c.
(Signed) CECIL SPRING-RICE.

[39519]

No. 234.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 26.)

(No. 277.)
Sir,

Tehran, November 7, 1906.
I HAVE the honour to transmit herewith copy of the note which I have addressed to the Persian Government in accordance with the instructions contained in your telegram No. 185 of the 19th ultimo on the subject of the Karun irrigation scheme.

I have received no written reply, but the Minister for Foreign Affairs has informed me verbally that the Persian Government has no intention of granting a Concession for a foreign Company, as it is convinced that such a Concession would involve the grant of the right of foreign interference in the Karun Valley.

The Moin-ut-Tujar, who is acting here as the agent of the Sheikh of Mohammerah, called on me with reference to this scheme, and informed me that the Sheikh had originally desired to form a Company with one-third of its capital derived from abroad. He had since given up this idea, and now desired to form a purely Persian Company. It was, however, necessary to procure foreign expert advice, and the Sheikh had sounded Major Morton as to whether the Indian Government would allow him to act as paid adviser on irrigation matters to the Sheikh and his Persian Company.

I said that I could give him no advice on the subject, as my Government was not inclined to take the matter up at present, but that I saw nothing to prevent the Sheikh making a proposal in the sense indicated, as long as it was understood that there were no political considerations attached to the proposal.

I have informed the Russian Minister verbally of my note to the Persian Government, as well as of the general tenour of my conversation with the Moin-ut-Tujar.

I have not spoken to my Dutch colleague on the subject since I informed him, as instructed, that you would communicate to his Government your views on the question if they applied for this information in London.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure in No. 234.

Sir C. Spring-Rice to Ala-es-Sultaneh.

IT has come to the knowledge of His Majesty's Government that a scheme is under consideration, having for its object the concession of extensive rights to a foreign Company in the neighbourhood of Ahwaz for the purpose of constructing and operating irrigation works on the Karun.

The Persian Government is well aware of the interests possessed by British subjects in that district, which have, indeed, been the subject of special orders, and of direct encouragement of His Majesty the late Shah, and of lengthy correspondence between the Governments.

A project of the character above stated is evidently calculated to introduce a very considerable change, both commercial and political, in the existing situation on the Karun, and, while expressing its sincere sympathy with all projects of a nature to develop the resources of Persia, this Legation is instructed to state that, in view of the friendship which so happily subsists between the Governments of the King and the Shah, Sir E. Grey is confident that no definite step will be taken in the matter above mentioned without previous communication to His Majesty's Government.

October 2, 1906.

[39520]

No. 235.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 26.)

(No. 278.)
Sir,

Tehran, November 8, 1906.
I LOST no time in informing the Ala-es-Sultaneh privately of the attack on the Legation messenger and robbery of his bags near Kazeran on the 1st instant, reported to you in my telegram No. 327 of the 4th instant; but, as His Majesty's Consul at

Shiraz had grounds for thinking that the affair had been contrived from Tehran in order to discredit the Governor-General of Fars, who has always shown himself friendly disposed to us, I decided to wait a day or two before making any official representations on the subject, in case the stolen bags were recovered immediately.

Having up to yesterday received no tidings of the missing property I thought it better to wait no longer and addressed the note, copy of which is inclosed, to the Minister for Foreign Affairs. The note was presented to the Ala-es-Sultaneh by Mr. Marling—as I was unable to leave the house owing to an accident—who impressed on his Highness the very serious nature of the occurrence, and requested that the most vigorous steps might be taken to recover the stolen bag.

The Ala-es-Sultaneh said that he was well aware of the gravity of the matter and of the right which the official messenger of foreign Governments had to the fullest measure of protection. The robbery of our messenger was an isolated case, and did not, he thought, justify my decision not to dispatch the messenger who should have started on the 6th instant. If, however, I thought it necessary, the Persian Government would be ready to send a strong escort of twenty men with our couriers in future, and there was no need for us to suspend the service to Bushire.

His Highness said that he had already sent urgent instructions, by telegraph to, the Ala-ed-Dowleh to take energetic measures to recover the despatches, and gave orders in Mr. Marling's presence for those instructions to be repeated.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure in No. 235.

Sir C. Spring-Rice to Ala-es-Sultaneh.

(Translation.)

I HAVE the honour to inform you that I have learnt, by telegraph, from His Majesty's Consul at Shiraz that the British messenger conveying the official correspondence of His Majesty's Legation to Bushire was attacked by tribesmen on the road about 9 miles south of Kazeroon on the 1st instant, and that the robbers have carried off the bag of despatches, the official badge of the messenger, and other property.

I need not point out to your Highness the extreme gravity of this occurrence, of which the Persian Government will no doubt have already been apprised by the Governor-General of Fars, but I should be glad if your Highness would inform me, as soon as possible, what steps have been taken to pursue and arrest the robbers and to recover the bag of despatches and other stolen property.

[39521]

No. 236.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 26.)

(No. 279.)

Tehran, November 8, 1906.

SOME few days ago I received a telegram from His Majesty's Consul-General at Tabreez to the effect that the Nizam-ed-Dowleh, whose recall in consequence of the murder of Mr. Labaree and the attack on Captain Gough from the post of Governor of Urmi was only obtained after prolonged pressure from the British and United States' Legations (see Mr. Grant Duff's telegram No. 145 of the 3rd December, 1904), was about to be reappointed to that district. The Meftah-es-Sultaneh, the Head of the English Department, had called upon me previously, and in the course of conversation had stated that the Persian Government intended to send an official to take charge of frontier matters in connection with the dispute with Turkey. He named the Nizam-ed-Dowleh, but made no allusion to his antecedents, and the name had escaped my memory. Subsequently the Sadr Azam's son-in-law, with whom I am personally acquainted, asked me to receive him with a friend. The friend was the Nizam, who came to announce his departure for his new post. On being informed of this gentleman's previous career, I at once brought the matter to the knowledge of the American Minister, with whom I consulted as to the steps we should take to prevent such an arrangement, which could not fail to have the worst results in the district in

question, and which we could scarcely regard as other than a direct slight to the two Legations; and we agreed to present to the Persian Government a joint note, copy of which I have the honour to inclose.

We decided, further, to support our written protest by verbal representations to the Ala-es-Sultaneh, but, being confined to my house by a slight accident, I deputed Mr. Marling to accompany Mr. Pearson on his visit to the Minister for Foreign Affairs. I have the honour to inclose a Memorandum giving the substance of their interview with his Highness.

I have kept my Russian colleague informed of my action in this matter, and he has informed me that he has no interest whatever in the Nizam, and that if I have any reasons to act against him I would encounter no opposition from the Russian Legation.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure 1 in No. 236.

Joint Note from His Majesty's and United States' Ministers to the Ala-es-Sultaneh.

THE undersigned Ministers of the United States and Great Britain have been informed that the Nizam-ed-Dowleh is proceeding to Urmi on a mission from his Government.

Inquiries which have been made from the Sadr Azam have failed to elicit an answer as to whether or no it is the intention of the Persian Government to reappoint this gentleman to the post of Governor of Urmi.

The Government of Persia is aware of the very grave representations which the two Legations have been forced to make with regard to the Nizam's conduct when Governor at Urmi, at the time of the murder of Mr. Labaree. They are unwilling to believe that the Government of Persia would allow itself to take action so unfriendly to the two Governments of the United States and Great Britain as to replace an official in charge of a post where he has already shown himself incapable of preserving order or of taking such steps as are necessary to the protection of the life and property of American citizens and British subjects.

November 3, 1906.

Inclosure 2 in No. 236.

Memorandum.

IN accordance with your instructions, I called on the Ala-es-Sultaneh this afternoon, in company with the United States' Minister, to enforce by verbal representations the written protest of the two Legations against the proposed appointment of the Nizam-ed-Dowleh to an important post in the Urmi district.

After referring to the joint note, Mr. Pearson asked the Ala-es-Sultaneh whether he was to understand that the Nizam-ed-Dowleh had actually been appointed, and, if so, in what capacity—whether as Governor of Urmi or in some subordinate position, and with what powers. He reminded his Highness that the attack on Captain Gough and the murders of Mr. Daniel and Mr. Labaree had occurred while the Nizam-ed-Dowleh was Governor of Urmi, and that he had been dismissed from that post at the urgent instances of the British Minister, supported by the United States' Legation. The promises of satisfaction given by the Persian Government had not yet been fulfilled, and the reappointment of the Nizam-ed-Dowleh to the same district in whatever capacity would produce the impression that those outrages had been condoned, and must react detrimentally on the security of the American and British residents in the district. He hoped that the appointment would be cancelled, as otherwise he and his British colleague would be compelled to report the action of the Persian Government to their Governments, who would no doubt send them instructions to renew their protests, but in a more forcible tone, against what he could but regard as an unfriendly act. Neither of the Legations wished in any way to oppose the nomination of the Nizam-ed-Dowleh to any other position, but they must object warmly to his return to Urmi.

Mr. Pearson added that he could not refrain from remarking, although the point was not one which concerned American interests, that he thought it singularly ill-timed

that there should be any question of sending the Nizam-ed-Dowleh back to Urmie just at the moment when the Persian Government was imploring the good offices of Great Britain to obtain an adjustment of a boundary question with Turkey in those very regions.

The United States' Minister's remarks seemed to me to cover the ground so completely that I contented myself with signifying a general concurrence in them.

The Ala-es-Sultaneh professed to have but little acquaintance with the outrages above mentioned, but said that the Persian Government intended to abide by its promises of satisfaction, though for various reasons it had been unable to do so hitherto. His Highness was equally ignorant of the terms of the Nizam-ed-Dowleh's appointment, which had been made by the Shah himself. All that he could say was that he was to be sent to the Urmie district to control the frontier tribes, who, in consequence of the Turkish encroachments, had become very restless. It was evident that he must have extensive jurisdiction; but exactly what powers were conferred on him—whether he would be subordinate to or independent of the Governor—His Highness could not say; but he had referred the joint note to the Grand Vizier for submission to the Shah, and would communicate the result to the two Legations without delay.

(Signed) CHARLES M. MARLING.

Tehran, November 7, 1906.

[39522]

No. 237.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 26.)

(No. 280.)

Sir,
Tehran, November 9, 1906.

I HAVE the honour to inform you that on the receipt of your telegram No. 169 of the 3rd ultimo I called on the Russian Minister, who was then in his country residence, and communicated to him in writing the terms on which His Majesty's Government were prepared to join the Russian Government in making an advance to Persia. Among these terms was the condition that our part of the loan should be guaranteed on the customs of the ports of South Persia and the Persian Gulf.

He promised to draw up a draft Convention which we could submit to our Governments.

I called again on the 13th ultimo and found M. Hartwig much depressed, owing to the difficulty which had arisen in St. Petersburg with regard to the terms of the loan. The Russian Department of Finance was insisting that the interest should be at the rate of 9 per cent., and that the advance should be repaid in March of next year. The latter condition was one which the Persian Government could not possibly comply with. He had urged this view on his Government but he had received no answer.

I subsequently received communications from the Minister of Finance and the Sadr-i-Azam, which were to the effect that the result of the condition, if insisted on, would be to force Persia to accept such terms for the larger loan which was in contemplation, as the lending Powers might choose to insist on, and they gave particulars as to M. Naus' attempted loan in Belgium in July (see Sir Arthur Hardinge's telegram No. 15 of the 26th July) and the loan negotiations in St. Petersburg in August. With regard to the latter, the Sadr-i-Azam's account differs materially from that which Sir Arthur Nicolson received from M. Isvolsky, and is probably another instance of the familiar Persian policy of setting off one Government against the other.

On receipt of your telegram No. 190 of the 22nd October, I called on M. Hartwig and informed him that I was authorized to make the advance to the Persian Government as soon as he was similarly instructed and we were both satisfied that it would be devoted to the purposes for which it was intended. I also communicated to him the terms to which the Russian Government had agreed, as reported by Sir Arthur Nicolson in his telegram of the 21st October. He told me that he had as yet received no reply whatever from his Government. He then showed me the draft Contract which he had submitted to his Government for their decision, and which provided for repayment of the advance after a period of two or three years out of the proceeds of a new loan. The guarantee of the loan made by each Power was to be the same as that of previous loans. He stated that the expression in your

telegram of the 3rd ultimo "the customs of the ports of South Persia and the Persian Gulf" was objectionable, as it was inconsistent with the original loan contract made by Russia. He added that there was no objection to the English claim for Mohammerah, as this debarred the Persian Government from treating the customs of that port as unaffected by either the Russian or the English loan contracts, and therefore free to be assigned to some third Power. But there were great objections to extending the English guarantee to the ports outside the Gulf as they were especially interesting to Russia. The remark was one of a private character, but seemed to have some importance if viewed in connection with the Russian Memorandum which I communicated from St. Petersburg in December 1903, which showed that Charbar was the port recommended to the Russian military authorities for the termination of their projected railway.

In view of his objections to your proposal, I followed the alternative course approved of by you in your telegram No. 279 of the 13th ultimo, and informed him that His Majesty's Government would consent to the guarantee being the same as that of the previous loans; but I added, for his own private information, that I would address a note to the Persian Government, stating that His Majesty's Government adhered to that interpretation of the obligations of Persia with regard to the southern ports, which they had always maintained. No discussion took place on the subject, and our conversation was of a private and informal character.

On the next day (the 24th ultimo) I called on the Sadr-i-Azam, who informed me that he had just received a telephone message from the Russian Minister that his Government had agreed to the loan. I explained to his Highness that the money would not be paid unless both Legations were satisfied that it would be devoted to the actual expenditure of the Government for administrative purposes. He raised objections on the score of the "honour of the Shah" and the "independence of the Persian Government," but I attempted to make it clear to him that this condition was regarded by both Governments as a *sine quid non*.

The next day (the 25th ultimo) I went to the Russian Legation, where I met the Director of the Russian Bank. In conformity with the instructions received from the Russian Government, a draft contract was drawn up, the text of which I telegraphed to you the same day. It provided for interest at the rate of 7 per cent., and for repayment, on demand, after four months' notice. You will have observed that the clause defining the British guarantee is in the same sense as that in our previous loan contracts, with the omission of the Caspian fisheries, an amendment to which I consented, as no revenues are now derived from them. As the revenues of the posts and telegraphs are less than the interest on the previous loans, the real guarantee remains the revenue of the Gulf ports.

I thought it my duty to telegraph the objections raised by the Russian Minister as to the expression "the ports of Southern Persia," as it was evident that he had not been informed by M. Isvolsky that the Russian Government had accepted the terms conveyed in the written Memorandum communicated by Sir Arthur Nicolson, an acceptance which, indeed, M. Isvolsky appears to have subsequently described as an expression of his purely personal views (Sir Arthur Nicolson's telegram No. 264 of the 11th ultimo).

Having received your approval of the draft contract, I arranged with M. Hartwig to call together at the office of the Sadr-i-Azam, where, in the presence of the Minister of Finance, we discussed the terms of the advance.

The Sadr-i-Azam objected strongly to the clause providing that the two Governments could demand repayment at four months' notice, and we agreed to telegraph to our Governments his request for a year's grace.

Having finally received the terms which the two Governments had agreed to, which provided that, after the elapse of nine months, repayment could be demanded on three months' notice, we called again on the Sadr-i-Azam (the 3rd instant) and informed him of the new condition, which he accepted. A long discussion then took place with regard to the manner in which the Persian Government should apply for the payment of the advance. The Russian Minister and I explained to him in the clearest terms that we would require to satisfy ourselves that the money asked for was really expended for Government purposes. The Sadr-i-Azam finally consented to submit to us a draft note, which he promised for the next day.

In order to comply with the instructions contained in your telegram No. 195 I stipulated, and M. Hartwig agreed, that the Persian demands shall be addressed to the two Legations in identic notes, so that each Minister should give his consent to the payment of one-half of each separate item.

Up to the time of writing, the draft note which the Sadr-i-Azam promised to submit has not been received, and the contract has not been signed. As soon as this has been done, I shall have the honour of sending a copy, together with that of my note to the Persian Government relative to the southern ports, which was approved in your telegram No. 193 of the 25th ultimo.

I have, &c.
(Signed) CECIL SPRING-RICE.

[39523]

No. 238.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 26.)

(No. 281.)

Sir,
Tehran, November 9, 1906.
M. DESCOS, the French Minister, on his return from a journey which he had taken to Tabreez and Urmi, called at this Legation and informed me that he had been instructed by his Government to offer his good offices should they be required, with a view to facilitating and insuring good relations between the English and Russian Legations.

He has since on several occasions shown his readiness to be of service to His Majesty's Legation, and I should be grateful if you would express to the French Government my appreciation of his friendly attitude and of the good offices which he has tendered, and to which, if necessary, I shall have no hesitation in having recourse.

I have, &c.
(Signed) CECIL SPRING-RICE.

[39524]

No. 239.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 26.)

(No. 282.)

Sir,
Tehran, November 9, 1906.
SHORTLY after my arrival here I received telegrams from His Majesty's Consular Representatives at Tabreez and Meshed, to the effect that a large number of persons intended to take part in the Consular premises. At Tabreez the reason given was a complaint against one of the leaders of the constitutional movement. At Meshed the movement was caused by the non-publication in that town of the Shah's Edict ordering the election of Delegates to the national Congress.

In compliance with your instructions I at once telegraphed to Tabreez and Meshed, directing the British Consular Representatives to inform the malcontents that His Majesty's Government had done enough for them, and that it was not our intention to interfere in the domestic concerns of Persia; that therefore the leaders would gain nothing by organizing a movement similar to that which had taken place here, as this Legation was instructed to take no further action on their behalf.

At the same time, I explained to the principal leaders of the constitutional movement in Tehran that it was against the law and comity of nations that a foreign Legation should take an active part in domestic politics; that it was also against their own interest to invoke the help of one foreign Legation, because, if they did so, their opponents would certainly have recourse to the assistance of others, and that the result would be a sort of civil war into which foreign Powers would eventually be drawn. What I could promise them, I said, was to explain to my foreign colleagues that I intended to preserve an attitude of strict neutrality if they also abstained from intervention, and that thus parties in Persia would be free to find their own salvation in their own way and without foreign interference. If, I added, the people of Persia had some intolerable wrong to complain of, they could, if they wished, send Delegates to each of the foreign Legations to explain their grievances.

I informed some of my colleagues, and especially M. Hartwig, of the action I had taken. At the same time I wrote privately to the Sadrazam, pointing out the embarrassing position in which His Majesty's Government were placed, their correct attitude, and their desire that the Persian Government should take such action as was necessary to put an end to the growing disorder.

The result was that the movement in Tabreez and Meshed, which, however, was not of formidable dimensions, collapsed.

As His Majesty's Government had doubtless foreseen, the natural consequence of their action has been great disappointment on the part of the popular party, and encouragement among the reactionary courtiers. The former no longer look to this Legation as the champion of their interests, and the latter are no longer in fear of British intervention. There has been a considerable loss of British prestige in the country at large. On the other hand, I trust that other Governments, and especially that of Russia, now realize that His Majesty's Government has no intention of making political capital out of the internal disorders of Persia, and that their correct and self-sacrificing conduct (which contrasts favourably with that followed by other Governments in Persia on previous occasions) is not undeserving of acknowledgment.

I am, &c.
(Signed) CECIL SPRING-RICE.

[39526]

No. 240.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 26.)

(No. 284.)

Sir,
Tehran, November 9, 1906.
I HAVE the honour to transmit herewith copy of an interesting communication from Colonel Douglas relative to the Turco-Persian frontier.

The Turkish Ambassador has spoken to me at length on the subject, and has informed me that four years ago he arrived at an agreement with the Persian Government on the subject, which he submitted to his Government, but which has remained unanswered. The recent action of the Turks appears to have originated, according to his Excellency's views, in the initiative of the Sultan, in consequence of the frequent Persian aggressions on the Turkish frontier and the constant complaints of frontier officials against the Persian authorities, which invariably remained unanswered. His Majesty's indignation was especially directed against M. Naus, whom he regarded as responsible for the aggressions of the Customs Department.

The Persian Government, to judge by the conversations I have had with the Sadrazam and the Minister for Foreign Affairs, are very anxious for the mediation of both Russia and England, but so entirely ignorant of the most general outlines of the history of the discussion that it is of little use to attempt to explain to them the meaning of the frontier zone delimited in 1865.

In the opinion of the Russian Minister (in which I share) it would be dangerous for the two Governments to suggest any definite line of demarcation, as the Persian Government would immediately (after yielding to the suggestion under pressure) accuse Russia and England of betraying Persian interests. The two Powers are under no obligation to interfere, as the frontier line has never been accepted by Turkey and Persia; and he has urged on his Government that, while showing every readiness to assist Persia in arriving at an honourable settlement, it should take no overt steps in the matter until both Turkey and Persia have expressed their concurrence.

It is, of course, always to be borne in mind that Germany, by Article XVIII of her Treaty with Persia, has a formal justification for offering her diplomatic assistance.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure 1 in No. 240.

Lieutenant-Colonel Douglas to Sir C. Spring-Rice.

(No. 59.)

Sir,
Tehran, October 20, 1906.
I HAVE the honour to inform you that during the last fortnight I have had several conversations with my Turkish colleague on the subject of the Turco-Persian frontier question, and on two occasions he has explained the position to me from the Turkish point of view with the aid of a large map on the wall of one of the chanceries of the Turkish Embassy.

This map, which is on a scale of 1/180,000, and is dated 1846, was compiled by Dervish Pasha, and on it are shown the following lines:—

(a.) Line of *status quo* at the time of the appointment of the Commission of 1849, and referred to in paragraphs 2 and 3 of the Agreement of the 3rd August, 1869; the

approximate direction of which I have marked on the attached map by a broken green line.

(b.) Line showing the alleged ancient frontier between Persia and Turkey. This I have indicated by a broken red line.

(c.) Places in which the Persians are alleged to have infringed the *status quo*, in contravention of the Agreement of 1869 (marked in yellow).

To the above I have added the debatable territory as defined by the Anglo-Russian Commission of 1849-55.

I am unaware how far the views expressed by the Turkish Military Attaché reflect the opinion of his Government. They are as follows:—

In the Agreement of 1869 it was laid down that the *status quo* was to be maintained by both parties; the Persians have infringed this line in several places, notably those marked in the map, and in spite of the repeated protests of the Turks have continued to do so for many years. This action on the part of Persia justifies Turkey in her infringement of the line.

The Turkish Government have never accepted the accuracy of the Anglo-Russian Commissioners' map as showing the limits of the disputed territory. Except in so far as it has been modified by subsequent Agreements, as that regarding the Province of Zohab in the Treaty of Erzeroum and the district of Kotur, ceded to Persia by the Treaty of Berlin, all the territory up to the red line is claimed by Turkey as debatable land. To this Djemil Bey added that Turkey, being the stronger Power, would, he thought, be justified in occupying all the country in dispute.

It will be noted that this red line to the north of the town of Urmi runs right up to the lake, so that the occupation by Turkey up to there would effectually cut off that town from all direct communication with the north, except through Turkish territory.

The village of Band, near Urmi, which the Persians report to have lately been occupied by Turkish troops, is in territory which, according to the Turkish map, is indisputably Persian.

I have, &c.
(Signed) J. A. DOUGLAS,
Military Attaché.

Inclosure 2 in No. 240.

Reproduction of Turkish Map of the Turco-Persian Frontier.

[39527]

No. 241.

Sir C. Spring-Rice to Government of India.—(Received at Foreign Office, November 26.)
(No. 285.)

My Lord,

Tehran, November 9, 1906.

I HAVE the honour to transmit to your Excellency herewith the summary of events which have occurred in Persia during the past month.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure in No. 241.

Monthly Summary, November 1906.

Tehran.

November 7, 1906.

1. *Shah's Health.*—On the 14th ultimo the Shah's condition took a decidedly more critical turn, and on the 17th ultimo the principal medical practitioners in Tehran, fourteen in number, including His Majesty's own doctors, were called in consultation. His Majesty complained of sleeplessness, and appeared very weak and nervous. He even gave way, before the doctors, to an attack of hysterics. Several consultations were subsequently held, and in the course of a few days His Majesty's condition improved to such an extent that he was allowed on the 23rd ultimo to spend a few days in a country



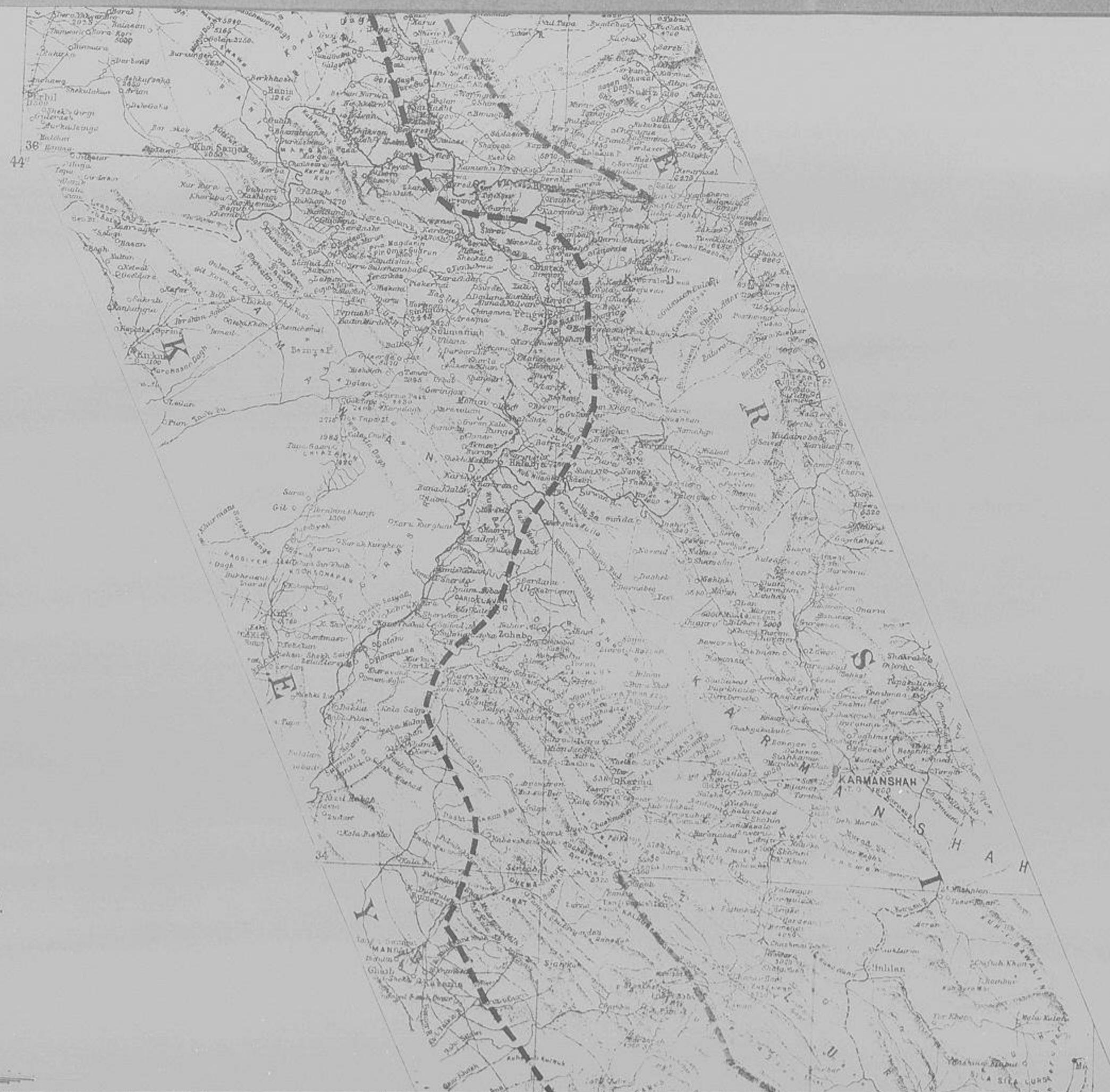
REPRODUCTION OF TURKISH MAP
OF THE
TURCO-PERSIAN FRONTIER.

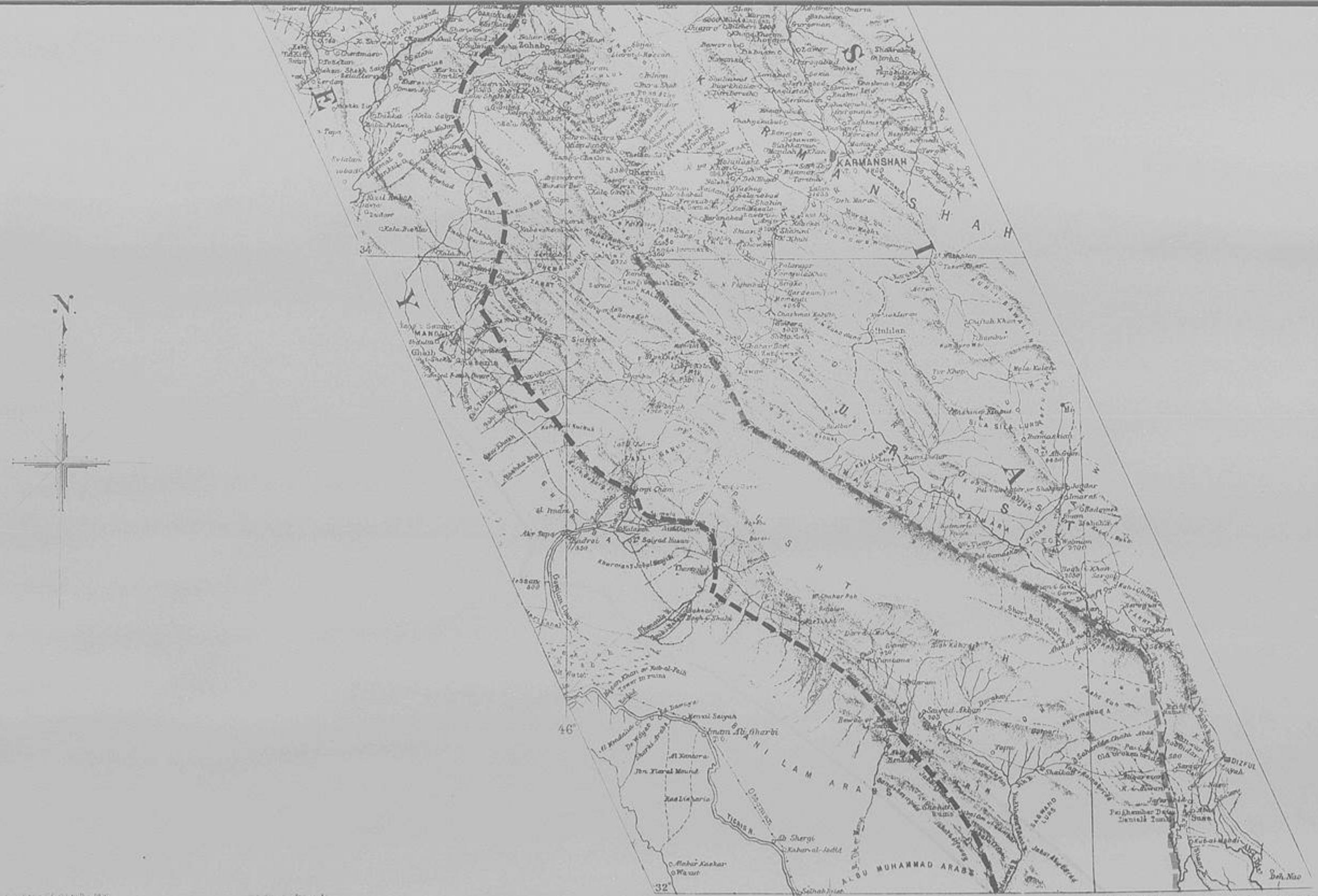
Approx. line showing alleged ancient frontier of Turkey and Persia now claimed by Turkey as the Eastern limit of the debatable land.

Debatable land as defined by Anglo-Russian Commission of 1849-1855.

Approx. line of "Status quo" referred to in paras. II. and III. temporary agreement of 3rd Aug., '69, as shown in Turkish Map.

Places in which the Persians are alleged to have infringed the "Status quo."





48th This line follows the railway from Kermanshah to the village of S. It then turns east, and follows the line of the railway to Maragheh.

Palace, and he now drives out nearly every day in his motor car. His Majesty's Minister saw him yesterday, and was struck by his miserable appearance. It is said that the dropsy has now again increased, and has reached his stomach.

A German specialist, Dr. Damsch, has been engaged through the German Legation here, and is expected shortly. He will stay in Tehran six weeks, and is to be paid 4,000*l.* for his services, half on his arrival and half when his stay is at an end. Dr. Schneider has completely lost the Shah's favour, and is trying to get the appointment of principal doctor of the Persian army, in which he is being supported by the British and French Legations. Dr. Lindley is at present the Shah's principal doctor, and is sometimes assisted by Dr. Sadowsky, the Russian Legation doctor, who sleeps every night at the Palace.

2. *National Assembly.*—The National Assembly, which was opened the 7th October, as reported in Sir Cecil Spring-Rice's despatch No. 261 of that date, has been busy ever since discussing the actual Constitution to be granted by the Shah. This would appear, at first sight, to be the most difficult task before the so-called reformers, but the negotiations are said to be progressing with fair promise of a conclusion satisfactory to the "National" party.

The members of the Assembly meet daily at the "Baharistan" Palace, which the Shah has placed at their disposal, and their President, Sani-ed-Dowleh, conducts the negotiations on their behalf with the Grand Vizier, who has shown a conciliatory spirit throughout. The Sadr Azam's sons, Mushir-ul-Mulk and Motamin-ul-Mulk, are well known to possess advanced views, and they have both assisted in drafting the Constitution.

The points under discussion are:—

1. The creation of an Upper House, composed of the members of the Shah's Government, the nobles, aristocracy, and the clergy;
2. The powers of the Upper and Lower Houses;
3. The power of the Sovereign to dissolve the Lower House.

With regard to the first question, an Agreement seems to have been arrived at. The Upper House is to be formed by a two-thirds majority elected by the people, and a one-third minority appointed by the Government. Financial matters, including the Budget, are to be first discussed by the Lower House and passed on to the Upper, whereas the framing of laws is to follow the contrary process. As to the second, and far larger issue, certain proposals have been put forward on both sides, which are still under discussion. The President of the Assembly informed the Grand Vizier that all loans, whether internal or foreign, would have to be discussed by the Assembly, and any money raised in such a manner could only be expended with the sanction and approval of the Assembly. He added that, should any money be raised without their sanction, they would consider it a private operation between the Shah and the lenders, and the nation would not be responsible for its repayment. To this the Sadr Azam is said to have acquiesced.

With respect to the Sovereign's power, under certain circumstances, to dissolve the Lower House, the clause appears to have been agreed to.

At present the meetings of the sixty-four Tehran members of the Lower House partake of the nature of an informal gathering, at which the two principal Mujteheds, Seyed Abdullah and Seyed Mohammed, assist, as well as numerous other outsiders, giving their views and generally interfering.

The President, who is acquainted with European methods, which he is endeavouring to introduce, finds it very difficult to deal with his flock. The Mujteheds are, of course, entirely out of his control, but he hopes to be able to put them into the proposed Upper House, where the Ministers and others will have to deal with them. A feature of the Assembly, as at present constituted, is that out of the sixty-four members only a nucleus of a bare dozen educated and well-informed men of the modern school exists, and leaders have already appeared, though definite parties have not as yet been formed.

The reactionary party, composed of influential persons at Court, appear to be inactive for the present, though perhaps they are reserving themselves for a final blow when the instrument called by them "Nizam Nameh," or Book of Rules, but in reality the Persian Constitution, is submitted for the Shah's signature. Amir Behadur Jang, who, in conversation with His Majesty's Minister, has made no secret of his opinions, is the principal reactionary, assisted by Shoa-es-Sultaneh and the Imam Jumeh.

3. *Return of Saad-ed-Dowleh.*—Mirza Djevad Khan, Saad-ed-Dowleh, who was for

some years Persian Minister at Brussels, and until last winter Minister of Commerce, and who was exiled to Yezd, where he took sanctuary at His Majesty's Vice-Consulate, has now returned to Tehran by the Shah's permission. He was exiled from Tehran at M. Naus' instance, and the latter went so far as to say that he would not return from Constantinople last winter when he was there unless his arch enemy was dismissed and expelled. It was through the Saad-ed-Dowleh that, in 1898, the Persian Government "engaged the services of three Belgian officials for the purpose of executing a reform in the Customs Department of Persia," of whom M. Naus himself was one. He was elected a member of the National Assembly at the general elections last month, and took his seat for the first time yesterday. His influence will no doubt be felt, as he possesses very decided views, which he does not fear to express. He has not, however, the reputation of being scrupulous.

4. *New Appointments.*—Vezir Afkham, one of the Shah's favourite Chamberlains, who was got rid of by the ex-Grand Vizier and sent as Governor to Yezd, has returned to Tehran and received the post of Minister of the Interior in succession to Majd-ul-Mulk. Amir Khan Serdar, nephew of the late Grand Vizier, has been appointed Governor of Asterabad, a post which his late father, the Commander-in-chief held some years ago. The Ain-ed-Dowleh is still on the Meshed road, but has not proceeded beyond a few miles.

5. *Nizam-ed-Dowleh.*—An attempt has been made to send back to Urmia the Nizam-ed-Dowleh, who was Governor there in 1903, when the Labaree murder occurred, and who was removed in December 1904 in consequence of strong pressure brought to bear on the Persian Government by the British and United States' Legations. He was brought to call on His Majesty's Minister by the Grand Vizier's son-in-law, Mofakham-ed-Dowleh, Persian Minister in Vienna, but the trick was discovered in time, and steps were taken to prevent his return to Urmia. A joint note was addressed to the Persian Government by the British and United States' Legations protesting against his appointment as frontier officer at Urmia, but a decision will have to be come to as to what steps should be taken should the Grand Vizier persist in sending him.

6. *Loan Negotiations.*—His Majesty's Minister and the Russian Minister have, in accordance with their instructions, drawn up the documents in connection with the joint advance of 200,000*l.* to the Persian Government. The managers of the English and Russian Banks were to have taken the papers to the Grand Vizier to be signed on the 4th instant, but a hitch has occurred, and up to the 8th instant the Grand Vizier had not intimated his readiness to sign. It is, of course, possible that the National Assembly may have raised the objection referred to in paragraph 2, and may have insisted on being consulted in the matter.

7. *New German and Austrian Ministers.*—M. Stemerick, the new German Minister, who was Consul-General at Constantinople, arrived last month. M. Rosthorn, the new Austro-Hungarian Minister, has also joined his post.

8. *Epidemic of Small-Pox.*—Small-pox exists in epidemic form at Meshed, Kom and Resht. Mr. Alfred Churchill, Chief Inspector of the Imperial Bank of Persia, died of haemorrhagic small-pox at Tehran, after three or four days' illness, on the 16th ultimo. A Scotch woman in the service of Major Kennion at Meshed died of the same form of small-pox on the 15th ultimo.

November 8, 1906.

Shah's Health.—A consultation was again held yesterday evening, and it was found that the Shah's dropsy had greatly increased in the region of the abdomen, which presented a very swollen appearance. Dr. Scott, who told His Majesty's Minister what occurred at the consultation, added that signs were found of a congested condition of the lungs. His personal opinion was that the end would probably come about within three weeks. The German specialist is due to-day.

In conversation with the Grand Vizier's son Montamin-ul-Mulk last night Mr. Churchill elicited the following facts:—

The ex Grand Vizier Ain-ed-Dowleh had asked the Grand Vizier to obtain permission for him from the Shah to reside at Resht, which the Shah had given.

The Nizamces-Sultaneh, Vizier of the Valiahd at Tabreez, who has resigned in consequence of a disagreement with the Heir Apparent, is coming to Tehran and will be replaced by Nizam-ul-Mulk, ex-Minister of Justice.

Saad-ed-Dowleh will probably succeed Sani-ed-Dowleh as President of the National Assembly.

The delay in signing the loan agreements with the English and Russian Legations and Banks is due to the fact that as an account must be rendered by the Persian Government to the two Legations of the use to which they propose to put the money drawn, the

Grand Vizier is preparing the statement, which will probably be ready to-morrow. The Grand Vizier proposes therefore to draw the whole of the 200,000*l.* as soon as the agreements are signed.

The following reports have been received from the provinces:—

Meshed.

1. One of the principal Mujteheds of Meshed has pronounced that the ex-Grand Vizier should not be allowed to enter Meshed.

2. His Majesty's Consul-General has obtained an order from the Persian Director of Telegraphs at Meshed, permitting all the telegraph offices between Meshed and Seistan to allow Mr. Carter to use their instruments during the hours the line is handed over to the British. This will enable Mr. Carter (who is going to Seistan to meet his wife) to make a thorough inspection of the line, and to report on the manner in which the instruments are arranged and what facilities exist for tapping messages.

3. A sowar of the Meshed escort has been placed under arrest for refusing to obey the orders of the native officer commanding the detachment.

4. There was considerable agitation at Meshed last month in connection with the election of the Khorassan Delegates to the National Assembly. The Governor-General asserted that he had not received instructions from the Grand Vizier, and the people held meetings to protest against what they considered his reactionary attitude. At one time it seemed not at all unlikely that their threat to take sanctuary at His Majesty's Consulate-General would be actually carried out.

5. An epidemic of small-pox exists at Meshed, and several thousand persons are said to have died of the disease.

Turbat-i-Hayderi.

1. Telegraph communication was cut off south of Turbat during the British signaller's working time on the 22nd September. This was probably due to faulty connection at Khaf by the Russian signaller, who can cut us off for as long as he likes.

2. M. Caesari, the notorious Corsican in M. Naus' employ, who at one time gave us a great deal of trouble in Seistan, and was removed to the Khanikin border, where he got into trouble with the Russians and was again removed, is now at Turbat-i-Hayderi. He is apparently on very good terms with Captain Iyass.

3. His Majesty's Minister has brought to the notice of the Russian Minister the report respecting Captain Iyass' threats to bring about the dismissal of the Governor of Turbat on account of his friendliness to the English. Captain Watson has brought the matter up again, and has urged that something should be done.

Seistan.

1. Momtahan-es-Sultaneh's relations with M. Cattersel, the Belgian Director of Customs, have become so strained that M. Naus agreed to recall him if the Grand Vizier recalled Momtahan-es-Sultaneh.

2. The question of the punishment of the rioters of last March is still under discussion.

3. The Russians have cut the connection leading direct into the Persian Telegraph Office, and have taken the Meshed-Seistan line direct into their new office. The line thus passes through the Russian office into the Persian office, which is also used by us. It is reported that two more Russian linemen are to be posted on the line—one at Khaf, and one at Birjand. The extraordinary nature of the interruptions to be expected on this line was well illustrated on the 29th September. Communication was impossible either in the morning or afternoon, and it ultimately appeared that the Persian telegraphist at Ney, an intermediate station between Seistan and Birjand, had put the line to earth and had then forgotten to release it.

4. *Plague.*—The medical officer on plague duty in Seistan writes on the 7th October, as follows:—

"No case of plague has been reported in Seistan during the past week. . . . It is probable that if we start inoculation now, when there is no plague known to exist in Seistan, we will be blamed for the recrudescence in the event of plague reappearing, as

several of the Mollahs consider that inoculation spreads the plague, while they admit that it protects the person inoculated. I propose, therefore, not to perform any inoculations for the present, but to have everything in readiness for a vigorous inoculation campaign as soon as the first case of plague appears."

Kerman.

Colonel Stewart handed over charge of His Majesty's Consulate to Major C. Ducat on the 13th October, and left for Bunder Abbas the following day.

Kermanshah.

1. Considerable excitement has been caused by some serious irregularities which have apparently been going on for some time at the branch of the Imperial Bank of Persia in Kermanshah. Their native cashier is accused of appropriating the bank's money to his own use, and has been placed under arrest. The European Manager and Accountant are not on speaking terms, and a state of chaos appears to exist. Mr. Rabino has sent an Inspector there, who has taken over the management.

2. Captain L. Haworth assumed charge of the Consulate the 12th October.

Ispahan.

1. His Majesty's Consul-General writes, that on the strength of His Majesty's Minister's telegram announcing the inauguration of the National Assembly at Tehran by His Majesty the Shah, he informed the Zil-es-Sultan of the facts, not doubting that his Highness had been informed of the event. He was, however, greatly surprised when his Highness assured him that he had not heard a word on the subject from the Government at Tehran, and, further, that during the course of events at Tehran which have led up to the grant of a Constitution, he had received no official communication from Tehran relating thereto.

Shiraz.

1. The Indian bag has been robbed between Shiraz and Bushire, as reported in a separate despatch.

2. The Governor-General at Fars informed Mr. Grahame that he had recently received a letter from Prince Ala-es-Sultaneh, the new Foreign Minister, inviting him to make an official complaint against the British Consul at Shiraz, who had dishonoured Prince Shoa-es-Sultaneh, so that the new British Minister might be persuaded to remove him.

3. The Shoa-es-Sultaneh's intrigues continue, and the result is an unsettled condition of the province, which is very detrimental to commerce, and gives every one a good deal of trouble.

4. An unfortunate incident has occurred in connection with a certain Jewish Italian subject who has turned Mussulman. Mr. Grahame, who is in charge of Italian interests at Shiraz, was obliged to take certain measures with the object of recovering a sum of money due by this individual, who endeavoured to raise religious feeling in his favour. The result was that considerable correspondence has taken place on the subject, and the Persians have used the incident in order to throw discredit on Mr. Grahame.

5. Negro slaves of both sexes continue to resort to the Consulate with the object of being manumitted. This is a further source of trouble which it is apparently very difficult to avoid.

Mohammerah.

1. The Hamburg-America steamer "Sicilia," which arrived at Mohammerah on the 3rd October, landed about 50 tons of general cargo and 50 tons of materials for iron barges for Haji Moin-et-Tujjar (of Tehran). The barges, four in number, were made by Messrs. Ritchie, Graham, and Milne, Glasgow, and were shipped in sections from Antwerp.

2. The Director-General of Customs of Arabistan received a telegram from Tehran, saying that the Governor was pressing for the prohibition of the export of cereals. He replied that there was no scarcity, and that prices were not high.

Bushire.

1. Owing to a dispute which recently arose between the local Chiefs over the lease and payment of the revenue of Charak and the Island of Keis, the Saulat-ul-Mulk, Deputy-Governor of Bastak under the Governor-General of Fars, dispatched a force under his son and some of the Shibkuh Chiefs against Sheikh Saleh, the Zabit of those places, to enforce payment of revenue. On its march this force sacked and pillaged a village and attacked a fort. In view of the possible danger to British commercial interests entailed by the above disturbances, representations were made to the Darya Beggi, Governor of Bushire, by His Majesty's Resident. Later reports show that the matter has been settled.

Tabreez.

1. The situation at Urmia appears to be very serious. The English missionaries report that cattle belonging to some of their members have been robbed by the Kurds, and that about twenty villagers have lately been murdered. The Valiahd says that he is powerless to keep the Kurds in order so long as they receive the support of the Turkish troops. Mr. Consul-General Wratislaw reports that he hears on reliable authority from Urmia that "Turks" are in complete occupation of the districts of Tergavar and Mergavar (west of Urmia), and that they have recently leased the large village of Mawana, not 12 miles from Urmia, and have appropriated the share of its harvest, which should have gone as "maliat" to the Persian Government. He could not say whether the "Turks" were employés of the Turkish Government or only men in Turkish uniforms belonging to Sheikh Sadik, a Turkish subject. In any case the Turkish Government seems responsible for their doings.

2. Some members of the clergy at Tabreez appear to have lost their heads after the success they gained in connection with the constitutional movement. A certain Seyed Hashem caused some trouble last month, aided by a band of armed Seyeds, and the Valiahd was obliged to expel him. The Imam Jumeh, of Tabreez, has also been sent away.

The following subjects have been dealt with fully in separate despatches:—

No.	Date.	Subjects dealt with.
271	October 22	Messrs. Lynch's trade with Persia.
272	" 22	Importation of Bibles.
273	" 23	Proposed new jurisdiction law.
274	November 2	Distress at Urmia.
275	" 7	Sjenge Syndicate.
276	" 7	Oil Syndicate.
277	" 7	Karun irrigation schemes.
278	" 8	Robbery of Indian bag.
279	" 8	Nizam-ed-Dowleh's appointment.
280	" 9	Loan negotiations.
281	" 9	French Minister's offer of co-operation.
282	" 9	Reform movement, Meshed and Tabreez.
283	" 9	Russians in Transcaspia.
284	" 9	Turco-Persian frontier.

(Signed)

G. P. CHURCHILL,
Acting Oriental Secretary.

[39549]

No. 242.

Sir A. Nicolson to Sir Edward Grey.—(Received November 26.)

(No. 760.)

Sir,

M. ISVOLSKY to-day expressed to me his regret that he was not yet in a position to give me a reply to the latest proposals which I had communicated to him for a settlement of the question of the Meshed-Seistan telegraph line, but he was in consultation with certain Departments on some sanitary matters relative to guards and

St. Petersburg, November 14, 1906.

cordons, which would be involved in coming to a decision on the subject. He hoped shortly to be in a position to give me a definite reply.

I trust that the reference which M. Isvolsky made to the sanitary cordons and guards indicates an intention of accepting our proposal for an exchange of the Meshed-Tehran line for that to Nasratabad. I am inclined to think that an exchange in the eyes of the Russian Government would be preferable to recurring to the *status quo ante*, as the return of the instruments to the Persian offices might be regarded as a surrender to our demands, while the exchange would be interpreted as a fair bargain. The chief objections formulated by M. Isvolsky on previous occasions to the exchange were dictated by a fear that it would prematurely disclose the bases on which an eventual arrangement between the two countries in regard to Persia might be made, but owing to recent revelations in the press these objections must be considerably modified.

I did not press M. Isvolsky for any elucidation of the reference which he made to sanitary questions, as he very possibly would not have given them to me, and it is preferable to await the concrete proposals which, I trust, he will shortly communicate to me.

I reported, in my telegram No. 293 of this day's date, that his Excellency could not at present furnish me with a reply.

I have, &c.
(Signed) A. NICOLSON.

[39550]

No. 243.

Sir A. Nicolson to Sir Edward Grey.—(Received November 26.)

(No. 761.)

Sir,

M. ISVOLSKY mentioned to me yesterday that he had received information from Tehran to the effect that the Mollahs were raising difficulties to the acceptance by the Persian Government of the advance which the Russian and British Governments were prepared to make to them. He understood that they required that the question should be submitted to the approval of the Legislative Assembly. M. Isvolsky added that he did not propose to put any pressure upon the Persian Government to accept the loan. The money was there, and was at their disposal if they were willing to accept it on the conditions which we had laid down. He inquired whether I was acquainted with your views on the subject. I told M. Isvolsky that I had received a telegram, announcing the fact that the Mollahs were raising difficulties, but that I was not acquainted with your views on the subject. I presumed that, as the Persian Government had taken the initiative in applying for a loan, there would be no intention of forcing one upon them and that we should be content to wait till they had settled their domestic differences.

M. Isvolsky said that he was of opinion that the Persian Government would not apply elsewhere for a loan, as he had given them to understand that German financiers were not disposed to advance money to Persia at this moment. I replied that as neither Russia nor England was placing difficulties in the way of the Persian Government obtaining an advance, there would be no reason for the latter to seek financial aid in other quarters.

I added that I understood that both Governments were ready to give some financial assistance to the Valiahd on his accession to the throne. M. Isvolsky replied that this was the case; but he trusted that the Persian Assembly would not be troublesome in regard to the arrangement to which the two Governments would arrive with respect to Persia. He did not know if that body exercised much influence in the country, and if we should have to take it into account in completing our negotiations. I told M. Isvolsky that I had seen some report, I could not for the moment recollect whether it was official or not, which had indicated that there was a certain indifference in the country towards the Assembly, but it was possible that the latter, like all young and novel institutions, would wish to play a prominent part in the affairs of the country. It was too early to judge of the measure in which the Assembly would control the Government. There were not a few well educated and intelligent Persians who would, doubtless, develop into active politicians, and I presumed that they would wish to make their influence felt.

I had the honour to inform you in my telegram No. 292 of the 14th instant what M. Isvolsky had said to me in regard to the advance.

I have, &c.
(Signed) A. NICOLSON.

[39558]

No. 244.

Sir A. Nicolson to Sir Edward Grey.—(Received November 26.)

(No. 769.)

Sir,

St. Petersburg, November 19, 1906.

I MENTIONED to M. Isvolsky to-day that M. Hartwig had made some proposals to Sir C. Spring-Rice in regard to the Meshed-Seistan line, which appeared to suggest that a joint control should be exercised over the lines from Tehran to Meshed and from the latter place to Nasratabad; and also some mention had been made of the acquisition of a concession for working a cypress forest for the purposes of obtaining telegraph poles.

M. Isvolsky said that he had not heard of any such proposal. It was true that he had communicated to M. Hartwig the substance of the Memorandum which I had left with him, and had requested the Russian Minister to supply him with certain information, but beyond that he had not gone. He personally did not see any objection to the two Ministers conversing together on such questions, but he had not made or received any proposals. I told his Excellency that to my mind it was all to the good that the two Ministers should interchange their views.

M. Isvolsky said, with reference to the Memorandum which I had communicated to him, that my proposal to replace the instruments where they were in June last, would not be in reality a return to the *status quo ante* as I had indicated. The permission to place the instruments in the Russian offices was accorded some years ago, and though the right to do so had not been exercised until lately, the Russian Government could hardly consent to abandon the right as I had suggested. I observed that the right had lain dormant in any case, and it being suddenly brought to life did, to my mind, create a change in the *status quo*. I had not touched on the question of the "right"; all I had been instructed to ask for was that matter should be replaced on the footing on which they were when we commenced our discussions. It seemed to me that this could be effected without affecting the question of a right. His Excellency did not agree with me; and I then inquired if he had any counter proposition to make to me.

M. Isvolsky said that the telegraph line had originally been constructed to facilitate the speedy transmission of news concerning plague epidemics, and before he could give me any reply he must consult with the Sanitary and other Departments, which he was in course of doing. He trusted that I would give him a little more time, and he promised to let me have an answer as soon as possible.

I have, &c.
(Signed) A. NICOLSON.

[39562]

No. 245.

Sir A. Nicolson to Sir Edward Grey.—(Received November 26.)

(No. 773.)

Sir,

St. Petersburg, November 20, 1906.

I NOTICE in Sir C. Spring-Rice's despatch No. 280 of the 9th instant, relative to the Anglo-Russian advance to the Persian Government, an observation which would lead to the belief that the guarantees which we had requested for our portion of the advance had only been accepted by M. Isvolsky personally, and had not received the sanction of the Russian Government. Sir Cecil Spring-Rice in support of this view alludes to my telegram No. 264 of the 10th October.

I should wish to clear up what may be a very natural confusion. In my written Memorandum of the 14th September I had communicated to M. Isvolsky two categories of guarantees: (1) the customs revenue of the south of Persia and of the Persian Gulf; (2) practically a recognition by the Persian Government of our proposed spheres of interest. M. Isvolsky demurred to the second of these guarantees, and His Majesty's Government subsequently consented not to insist upon it in connection with the advance. The first guarantee has never been disputed by M. Isvolsky, and he has always tacitly accepted it as a natural one. He has never directly or indirectly demurred to it, and as he has been in communication with the Minister of Finance, and presumably with other colleagues, and as the loan transaction as far as the two Governments are concerned is concluded, there is no reason for assuming that the Russian Government have any objection to it. It is quite possible that M. Isvolsky did not inform M. Hartwig of the matter; but this is a question of domestic interest to the Russian Government.

My telegram No. 264, in which I reported that M. Isvolsky had reiterated to me
[1682]

that his views were personal only, had reference to our line from Bunder Abbas to Birjand in connection with our general arrangement with Persia, and which is a distinct question from that of the advance. It is quite true that hitherto the Russian Government have not accepted the above line, nor, indeed, that M. Isvolsky has ever given me an official expression of opinion in regard to it.

I have, &c.
(Signed) A. NICOLSON.

[39625]

No. 246.

Mr. G. Barclay to Sir Edward Grey.—(Received November 26.)(No. 764.)
Sir,

WITH reference to my despatch No. 729 of the 30th ultimo, I have the honour to state that I understand from the Porte that the Persian Commissioner has proposed the Kandil Dagh as the frontier between Turkey and Persia, which would give Vazneh and the command of the defile to Persia. This proposal having been rejected by the Turkish Commissioner, the negotiations appear to have been arrested, owing to the Persian Commissioner lacking power to treat on any other basis.

At the instance of the Porte, therefore, the Persian Ambassador has telegraphed to his Government, asking that the Persian Commissioner may be given fuller powers.

I have, &c.
(Signed) G. BARCLAY.

[39829]

No. 247.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 26.)

(No. 350.)

(Telegraphic.) P.

Tehran, November 26, 1906.

MESHED-SEISTAN telegraph line: My telegram No. 336.

My Russian colleague said he had once more been instructed to speak to me on this subject. I told him that the result of negotiations here would be confusing, and that I had no instructions. He, however, gave me the following heads of a proposed Agreement:—

Control of the line to be retained by Russia, but Persian guards to be substituted for Russians.

The telegraph posts to be renewed, and monopoly of cypress forests to be secured for that purpose.

The British to have a separate wire to be worked by themselves.

The Russians to withdraw all opposition to the construction of the Kuh-i-Malik Siah extension.

I told my Russian colleague that I could, if he wished, communicate this proposal privately to you, together with the opinion of our Telegraph Director here, but I warned him that no official character would attach to such communication.

In the opinion of the Director, given from a purely technical standpoint, it would be of great value to have an alternative route to India via Meshed, but the employment of iron posts would be more economical in the end.

From a sure source I learn that—

1. The monopoly of a cypress wood on the Meshed-Seistan line has already been applied for by the Russian Legation. Considerable powers of control would, of course, attach to such a monopoly.

2. That, in order to forestall British action, the local Persian authorities in Seistan have recommended that a Persian line be constructed from Nasratabad to Kuh-i-Malik Siah.

I venture to suggest that no answer should be conveyed through this legation to M. de Hartwig's proposals.

[39901]

No. 248.

India Office to Foreign Office.—(Received November 27.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Mr. Secretary Morley, forwards herewith, for the information of the Secretary of State, copy of a telegram from the Viceroy, dated the 17th November, relative to the Bahrein Customs.

India Office, November 26, 1906.

Inclosure in No. 248.

Government of India to Mr. Morley.

(Telegraphic.) P.

November 17, 1906.

YOUR telegram dated the 7th November. Customs Department, Bahrein. In Foreign Department's letter, dated the 14th August last, we directed attention of Resident in Persian Gulf to necessity that before any definite action can be taken approval of His Majesty's Government should be obtained. No decision will be arrived at in regard to question without reference to you.

[40094]

No. 249.

Sir A. Nicolson to Sir Edward Grey.—(Received November 28.)

(No. 299.)

(Telegraphic.) P.

St. Petersburg, November 28, 1906.

A PROPOSAL for a compromise on the question of the Meshed-Seistan line, which was practically the same as that communicated in Sir C. Spring-Rice's telegram No. 350, was read to me to-day by the Minister for Foreign Affairs at his weekly reception. I confined myself to saying that it was a step in advance when he asked my opinion on it. In order to be sure of the exact terms, I will await the written communication which he has promised to send me.

I said to his Excellency that I trusted we were not about to see a fresh modification of the *status quo*, when I told him of a report which I had received to the effect that the Russian Minister had asked for a concession for a monopoly of a cypress forest. Minister for Foreign Affairs said that he was as much opposed as I was to any new question arising, and would therefore give the matter his attention. He assured me that he had heard nothing about it.

[40095]

No. 250.

Sir A. Nicolson to Sir Edward Grey.—(Received November 28.)

(No. 300.)

(Telegraphic.) P.

St. Petersburg, November 28, 1906.

THERE was a report in the Russian press to-day to the effect that a Persian National Bank was to be instituted, and that authority to accept our advance had been refused to the Government by the Persian Assembly. I asked Minister for Foreign Affairs whether he had received any official confirmation of the above report, and he said that he had not. I agreed with him when he reiterated the opinion that we should not try and force the Persian Government to accept our advance.

[40090]

No. 251.

Mr. G. Barclay to Sir Edward Grey.—(Received November 28.)

(No. 211.)

(Telegraphic.) P.

Constantinople, November 28, 1906.

I HAVE sent the following to Sir C. Spring-Rice in answer to his telegram of to-day:—

The Porte has removed the Vali of Bagdad from his post, and, according to the Persian Ambassador, has consented to an inquiry at Kerbela, when the new Vali arrives, by a Mixed Commission to be appointed by Turkey and Persia.

[40172]

No. 252.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 29.)

(No. 353.)

(Telegraphic.) P.

Tehran, November 29, 1906.

TURCO-PERSIAN frontier dispute.

I am informed by Minister for Foreign Affairs that Mosul has been proposed by the Turkish Government as the meeting place for the joint Boundary Commission, but that the Persian Government are pressing for Soujboulak, on the plea that it is more accessible.

[40332]

No. 253.

Sir A. Nicolson to Sir Edward Grey.—(Received November 30.)

(No. 303.)

(Telegraphic.) P.

St. Petersburg, November 30, 1906.

A WRITTEN Memorandum has been sent me from the Minister for Foreign Affairs on the subject of the Meshed-Seistan line.

The following is proposed:—

1. A second wire to be placed on Meshed-Seistan line to be attached to English instruments.
2. Similar wire on Tehran-Meshed line to be attached to Russian instruments.
3. Existing wires on both lines to remain on Russian and English instruments respectively, as at present.
4. Russia will undertake to replace gradually existing poles on Meshed-Seistan line by stronger cypress ones.
5. Russian instructors on Meshed-Seistan line to be recalled and replaced by Persian Gholams or subaltern agents, who will be paid by Russian Government.
6. Russian Government would raise no obstacles to British Government establishing a special line from Nasratabad to Koh-i-Malik Siah.

Present proposal has the advantage in that it gives us a link with our other Persian line and removes Russian inspectors from the Seistan line. I doubt if I should succeed in obtaining restoration of the *status quo ante*, as the Memorandum still maintains that the recent transference of wires to Russian instruments did not create any disturbance of the *status quo*.

[40330]

No. 254.

Sir C. Spring-Rice to Sir Edward Grey.—(Received November 30.)

(No. 354.)

(Telegraphic.) P.

Tehran, November 30, 1906.

VALIAHD: My telegram No. 348.

The Shah has summoned the Valiahd to Tehran, and he is leaving Tabreez in three days. I am told that the Shoa-es-Sultaneh and the Court party have come to terms with His Imperial Highness.

In another fortnight the Nizam-es-Sultaneh will leave to take up his post at Shiraz.

[40187]

No. 255.

Sir Edward Grey to Sir A. Nicolson.

(No. 532. Secret.)

Sir,

Foreign Office, November 30, 1906.

THE Russian Chargé d'Affaires called here on the 28th instant, and inquired what progress was being made with the negotiations relating to Persia.

M. Poklewsky, who in my absence was received by Sir C. Hardinge, was informed that on our side the negotiations were being steadily pursued, and that we were even communicating to your Excellency the sketch of a possible text for an Agreement relating to Persia which might satisfy the demands of both countries without laying itself open to the charge of being an infringement of the principle of the "open door," and being one to which the German Government might raise objections.

He then inquired if the proposed Agreement was to be restricted to Persia and Central Asia, and was informed, in reply, that it was only in those countries that Great Britain found herself in conflict with Russia.

He said that now that the negotiations were an open secret there was a considerable public opinion in Russia in favour of a modification of the Regulations for the passage of the Straits of the Dardanelles, and that the Russian Government were very uneasy as to the proceedings of the Japanese in the Far East, and would be very pleased if they could obtain from His Majesty's Government a recognition of the *status quo*, which would have a certain moral effect upon the Japanese, and need not clash with the conditions of our Japanese alliance.

Sir C. Hardinge replied that he felt sure that he was faithfully interpreting my views in saying that I should welcome any proposal which would make for peace in the Far East; that this and the question of the Dardanelles were not matters in which Great Britain and Russia were solely interested as in Central Asian questions; and that, since it would be impossible for us to know the wishes of the Russian Government, it must be for them to formulate their proposals. It was quite certain that these latter would be considered here most carefully and as favourably as possible.

I am, &c.

(Signed) EDWARD GREY.

[40504]

No. 256.

Sir A. Nicolson to Sir Edward Grey.—(Received December 2.)

(No. 305.)

(Telegraphic.) P.

St. Petersburg, December 2, 1906.

M. ISVOLSKY called upon me to-day and informed me that the Director of the Russian Bank in Tehran had telegraphed to the Minister of Finance that the Persian Prime Minister had expressed his willingness to sign loan contract without waiting for Assembly to give its consent.

In the opinion of M. Isvolsky, who said that he was anxious to learn your views, it was desirable in this matter that the British and Russian Representatives at Tehran should be asked whether they considered it was possible to ignore the refusal of the Assembly to sanction the loan or prudent to accept the proposal of the Prime Minister.

[40332]

No. 257.

Foreign Office to Sir C. Spring-Rice.

(No. 209.)

(Telegraphic.) P.

MESHD-SEISTAN telegraph line.

A proposal, practically identical with that which you mentioned in your telegram No. 350 of the 26th ultimo, has been put forward officially by the Russian Government.

[40504]

No. 258.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 210.)

(Telegraphic.) P.

ANGLO-RUSSIAN advance to Persia.

Sir A. Nicolson's telegram No. 305 of the 2nd instant repeated to you.

What are your views with regard to this proposal?

[40504]

No. 259.

Sir Edward Grey to Sir A. Nicolson.

(No. 447.)

(Telegraphic.) P.

ANGLO-RUSSIAN advance to Persia.

Your telegram No. 305 of the 2nd instant.

I have telegraphed to Sir C. Spring-Rice for his observations on the point raised by M. Isvolsky.

41023]

No. 260.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 6.)

(No. 356.)

(Telegraphic.) P.

Tehran, December 6, 1906.

PERSIAN loan: Telegram No. 305 from St. Petersburg.

No juridical objection can be raised to our acceptance of the Sadr Azam's signature only, for the Shah has not signed the Constitutional Law, the Assembly is not yet formally constituted, and only the Tehran Delegates have, so far, been elected. The Assembly, moreover, was not even thought of when the expenditure was incurred which the loan was designed to cover.

It has so far been found impossible to collect the internal loan by means of which it was hoped to meet this expenditure, and the non-payment of the troops constitutes an ever-increasing danger. So much is acknowledged by the leaders of the Assembly themselves.

The popular leaders on the one hand, and the Sadr Azam on the other, both appear to desire to persuade us to give them the money without a formal contract, by secret Agreements, which would throw the responsibility on us. The Russian Minister and I have refused this offer. Our attitude is that we await a reply to our proposals to the Sadr Azam, that we are not anxious to make the loan, but that, if it is made, responsibility must be taken by the Chief of the Persian Executive, and it must be made publicly.

The draft note specifying the items of expenditure, promised by the Sadr Azam, has so far not been communicated to us.

The facts of the situation are sufficiently serious, and I think our best course is to do nothing whatever until these facts force the popular party and the Government to come to terms.

(Secret.)

The fact that the Chief of the Russian Bank is in independent communication with the Minister of Finance is a source of danger to the negotiations.

[41146]

No. 261.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 7.)

(No. 357.)

(Telegraphic.) P.

ANGLO-RUSSIAN advance.

My telegram No. 356 of yesterday.

Enough money has now been collected by the Popular Assembly to begin the payment of the troops.

The Assembly state that they can have no guarantee for the proper expenditure of money supplied from abroad through the Persian Government. They think that they will be able by themselves to meet pressing necessities. If they find that they cannot do so, they may agree to acceptance of loan, but they are still opposed to the principle of seeking financial assistance from abroad.

[41831]

No. 262.

Memorandum by Mr. Parker on the Turco-Persian Boundary Question (1833 to 1906).

THE history of the Turco-Persian boundary question is a record of much exertion but indefinite results. Twenty years of topographical survey and labours in cartography, interrupted at one time by the Crimean War, but carried out at enormous expense by a Joint Anglo-Russian Commission on the frontier and later in Constantinople and St. Petersburg, terminated in the preparation of a Russian and an English map, which in no less than 4,000 places were divergent. A further map, known as the "Identic Map," was then drawn up at St. Petersburg, and it was not till 1869 and 1870, some twenty-seven years after Great Britain and Russia had undertaken to mediate in the matter, that copies of this "Identic Map" could be communicated to the Ottoman and Persian Governments.

Nor does this map indicate the frontier, since the Commission merely succeeded in surveying a frontier zone, 20 to 50 miles in breadth, and extending from Mount Ararat to the Persian Gulf, a distance of over 700 miles. So incomplete is the information contained in the map that several of the places mentioned in the course of the present dispute are omitted, and it has been necessary to prepare a special map to illustrate the district in question.

The correspondence upon this intricate question—extending over seventy years—is no more conclusive than the maps. Scores of manuscript folios testify to the ineffectual efforts of successive Commissions, while a complete survey of the subject is nowhere to be found. The period from 1847 to 1875 is, however, dealt with in Sir Arnold Kembell's Memoranda, and they have been extensively utilized in this Memorandum.

The earlier phases of the question are not without influence upon the actual situation, more especially since the districts of Vazné and Lahidjan have on former occasions given rise to frontier disputes.

The subject of this Memorandum has been dealt with under two headings:—

1. A retrospect of the negotiations for a general settlement (p. 1); and
2. The present dispute (p. 15).

1. *Retrospect of the Negotiations for a General Settlement.*

(Précis of official correspondence and of Sir Arnold Kembell's Memoranda dated April 1875.)

In consequence of a series of frontier incidents and other disputes, extending over a period of ten years, relations between Turkey and Persia became increasingly strained, until finally, in the summer of 1842, when an unexpected attack was made by the Turkish authorities of Suliemanieh against the summer camp of the Vali of Ardelan, preparations were made for war and a rupture appeared imminent.

Colonel Sheil,
No. 20,
June 24, 1842.

The earlier incidents were briefly as follows:—

In 1835 a Kurdish Chief, dwelling in the district of Van but virtually independent of Turkey, made a raid on the important strategical position of Kotur, in Azerbaijan, and plundered the surrounding country. About the same time the district of Mergawer, near Urumiah, was attacked by a large body of troops belonging to the Meer of Rowanduz, and completely ravaged with great bloodshed. Later, the thriving commercial town of Mohammerah, which was considered a dangerous rival to the prosperity of Bussorah, was attacked and razed to the ground by Turkish troops acting under the orders of the Pasha of Bagdad.

So much for the grievances of Persia. The Ottoman Government, on the other hand, complained that the Persians were constantly intriguing in the Pashalic of Suliemanieh, where they had endeavoured to establish by force a Pasha who had been rejected by the Porte. In 1840 Persian troops had attacked and captured this town. Moreover, as early as 1833 the brother of the Shah had made an incursion into the Bayazid district (on the northern extremity of the frontier) and plundered and laid waste several villages. Persia had also, it was contended, retained the district of Zohab during a number of years and unjustly appropriated the revenue.

These disputes were in part due to the doubtful allegiance and semi-independence of the nomad tribes occupying the frontier provinces, who were in the habit of taking up winter quarters in one country and migrating in summer, for purposes of pasturage, to the other.

In enumerating these incidents Colonel Sheil, then Chargé d'Affaires at Tehran, expressed the view that the losses of Persia far exceeded those of Turkey, although it transpired later, upon investigation by British and Russian Agents on the spot, that Persia had been the aggressor in 1842, and that the attack on the Vali of Ardelan had been undertaken with the object of forestalling a further attempt to reinstate the ex-Pasha of Suliemanieh.

When the attack on Ardelan became known the Persian Government addressed communications to Sir Stratford Canning and to the Russian Ambassador at Constantinople, calling attention to the incident and requesting their friendly intervention with the Porte.

The British and Russian Representatives at Constantinople and Tehran anticipated the instructions of their Governments by counselling moderation, but for a considerable time the prospects of peace were not hopeful, and troops continued to be massed upon both sides of the frontier. Colonel Sheil considered that if a conflict were to take place the issue would be doubtful, and he estimated that Persia could place 90,000 men in the field.

The Ottoman Government were at first disposed to admit the least possible degree of foreign interference into their affairs, but at length, in deference to the representations of Sir S. Canning, it was agreed that there should be a simultaneous withdrawal of troops, and British and Russian Agents were sent to each camp to hasten this.

After much discussion it was decided that a Joint Commission of Plenipotentiaries of the two Mussulman Powers should, in concert with British and Russian Delegates, be convened at Erzeroum to investigate, and if possible to compromise, the rival claims.

It was also understood—though not, apparently, embodied in a written Agreement—that the *status quo* should meanwhile be preserved on the frontier. This is frequently referred to in the subsequent correspondence as “the *status quo* of 1843.” The principle of the *status quo* was formally confirmed and placed on record in a temporary Agreement concluded in 1869, which is still

Sir S. Canning,
No. 236,
November 26,
1842.

Colonel Sheil,
No. 20,
June 24, and
No. 21,
June 25, 1842.

Sir S. Canning,
No. 236,
November 26,
1842.

Sir S. Canning,
No. 234,
November 2, 1843.

theoretically in force. In January 1844 the Ottoman Plenipotentiary communicated to the Commission a map (see Appendix A) indicating respectively the boundary of possession in 1843 and the boundary as then claimed by Turkey from Mount Ararat to Zohab. This map is not without interest in relation to the dispute of 1906.

The first conference of the Commission was held in May 1843. Colonel Williams, the British Commissioner was Colonel Williams, who later rose to distinction as the defender of Kars.

The obstacles to a settlement were indeed formidable. To Sir S. Canning, draw a boundary-line through migratory tribes is in itself an almost insoluble problem. In addition, there were serious religious jealousies to be overcome. A massacre at Kerhela in 1843 had rekindled the old animosity of Shiite against Sunnite to a dangerous heat; protection for Persian pilgrims to holy shrines in Turkey was hard to insure; there were difficulties about Persian marriages, judicial trials, and other matters on Turkish soil; and there was a claim on the side of the Porte to the town of Mohammerah, which the Persians, supported by Russia, stoutly resisted.

Sir S. Canning reported that the territorial dispute appeared to turn principally upon the provisions of the Treaty of 1639. It is remarkable that neither the Ottoman nor the Persian Commissioner was able to produce the original text of this Treaty, and each denied the accuracy of the version produced by the other.*

A copy preserved in the Vienna Museum was procured by Sir S. Canning, and Major (afterwards Sir Henry) Rawlinson, then Consul at Bagdad, made a careful comparison of the versions which were extant, and prepared some valuable notes on the supposed direction of the frontier (see No. 8793, Library, of the 6th December, 1906).

It is needless to revert in detail to the discussions in which the Joint Commission became engaged. After four years' negotiation their labours were crowned by the signature of the Preliminary Treaty of Erzeroum on the 31st May, 1847.

But the settlement was only one in semblance, as, before consenting to the conclusion even of the Preliminary Treaty, the Porte required that assurances should be given to it as to the meaning of some of the Articles, and made conformity with its views on the part of Persia indispensable to its acceptance of the proposed engagement.

After considerable negotiations, in which the Persian Government, or its Agents, took no part, it was arranged, with a view to secure the preliminary signature of the Treaty, that the desired assurances should be given in writing by the Representatives of the two mediating Governments at Constantinople; and, as a further precaution against their rejection by the Persian Commissioner on the spot, and his consequent refusal to sign the Treaty, it was determined to keep him in ignorance of the arrangement. It was hoped, indeed, that, the Treaty once signed, the Persian Government would be readily induced to indorse these “assurances,” or, if not so induced, it was argued, the Persian Government might still, if it pleased, decline to ratify the Treaty.

The Porte for the nonce accepted this compromise, but at the same time declared emphatically that, if the Persian Government did not adopt the assurances, the Treaty must be considered *nul et non avenu*.

Under these circumstances, the Treaty was signed.

The assurances in question did not, however, meet with the concurrence of the Persian Government. Fearing some covert object which it could not comprehend, it persisted in its

Colonel Williams,
No. 3,
January 14, 1844.

Sir S. Canning,
No. 236,
November 26,
1842.

Sir A. Kemball,
April 2, 1875.

Sir S. Canning,
Private,
December 19,
1842.

Lord Cowley,
No. 179,
June 2, 1847.

* The Turkish text was lost in one of the numerous fires at Constantinople; the Persian text was destroyed during one of the revolutions (*vide* Colonel Williams, No. 16, July 18, 1852, and Colonel Sheil, No. 94, August 10, 1852).

dissent from them to the Representatives of the mediating Governments at Tehran, and the course it determined to pursue, without refusing to ratify the Treaty, was simply to ignore them. Its Plenipotentiary, therefore, acting presumably on the tacit recognition by all parties of the views of his Government, declined to exchange ratifications if the ratifications of the Porte were to be coupled with *arrières-pensées* as to the import of the Treaty; but, yielding eventually to extreme pressure exercised by the mediating Ambassadors as the sole means of preventing failure, he withdrew his objections, and, protesting, the while, want of authority, acceded as required to the demands of the Porte.

It was still with the greatest difficulty, and ostensibly as a matter of favour to the British Government, that the Porte expressed itself satisfied with this issue; nor did it then consent to ratify the Treaty without requiring and obtaining from the Representatives of the mediating Governments an "Explanatory Note," embodying in a more formal manner the assurances they had previously given.

Thus was the Treaty ratified at Constantinople in March 1848.

The effect of these transactions was to render the work of delimitation impossible, and, after more than two years wasted in barren discussions, to restrict the labours of the Frontier Commission (composed of Turkish, Persian, British, and Russian Delegates), which was now appointed, to the mere acquisition of topographical and statistical information.

In order to appreciate the extent to which the "Explanatory Note" affected the terms of the Treaty, and the conflict of pretensions which ensued, it is necessary to contrast the provisions of either instrument, in so far as they relate to frontier claims:—

"Treaty of 1848 (Extract)."

"ARTICLE II.

"The Persian Government engages to abandon to the Ottoman Government all the level lands, that is to say, the lands of the western part of the Province of Zohab; and the Ottoman Government engages on its side to abandon to the Persian Government the eastern portion, that is to say, the mountainous districts of the Province of Zohab, with the Valley of Kerrind.

"The Persian Government gives up all pretension to the city and the Province of Suliomanieh, and engages formally to exercise no interference in, or in any way to encroach on, the right of sovereignty of the Ottoman Government over the said province.

"The Ottoman Government engages formally that the Persian Government shall have full jurisdiction over the town and the roadstead of Mohammerah, the Island of Khizir, the anchorage, and also over the districts on the eastern bank, that is to say, on the left bank of the Schatt-ul-Arab, which are in the possession of tribes recognized as owing allegiance to Persia, or in the possession of the Persian Government in full sovereignty. Besides this, Persian vessels shall have full liberty to navigate the Schatt-ul-Arab from the spot where this river throws itself into the sea to the point of contact of their respective frontiers.

"ARTICLE III.

"The two Contracting Parties, having by the present Treaty abandoned their other territorial claims, engage respectively to nominate immediately Commissioners and Engineers, in order that they may determine the frontier of the two States, in conformity with the preceding Article.

"ARTICLE VIII (Extract).

"The two High Powers will, once for all, leave the tribes about whom, owing to the fact of their Suzerain being unknown, there is a dispute at liberty to choose and elect the places where they shall henceforward always reside; and it is agreed that those tribes whose dependence is known shall be obliged to return to the territory of the State to which they belong.

"ARTICLE IX.

"All the points and Articles of former Treaties, and particularly those of the Treaty concluded at Erzeroum in 1238 (1823 A.D.), which are not specially altered or annulled by the present Treaty, are confirmed in all their force, and in every stipulation, the same as if they had been inserted word for word in this document. It is agreed between the two High Powers that, after this Treaty shall have been exchanged, they will accept and sign it, and that its ratifications shall be exchanged within two months or less time.

"Explanatory Note (Extract).

"Les points sur lesquels la Sublime Porte réclame des explications sont les suivants:—

Lord Cowley,
No. 41,
February 2, 1848.

"1. La Sublime Porte suppose qu'en abandonnant d'après l'une des clauses du II^e Article du Traité la ville, le port, et l'ancre de Mohamara, ainsi que l'île de Khyzr, à la Perse, cette disposition ne peut comprendre ni les terres de la Sublime Porte qui sont situées hors de la ville susdite, ni les autres ports de la Sublime Porte situés dans ces endroits-là.

"Les Représentants déclarent en réponse:—

"Ad 1^{me}. Que le mouillage de Mohamara est l'endroit situé vis-à-vis de la ville de ce nom en dedans du Canal de Haffar, et que cette définition n'est susceptible d'aucune autre interprétation. Ils adhèrent, en outre, à l'opinion du Ministre Ottoman qu'en abandonnant à la Perse dans les localités dont il est ici question la ville, le port, et l'ancre de Mohamara, aussi bien que l'île de Khyzr, la Sublime Porte ne cède dans ces mêmes endroits nulles autres terres, pas plus que d'autres ports qui pourraient y exister.

"2. La Sublime Porte demande si, d'après la rédaction d'une autre partie du même Article où il s'agit de tribus véritablement dépendantes de la Perse, mais qui pourraient être divisées, une moitié se trouvant établie sur les terres Ottomanes et l'autre moitié sur le territoire Persan, il faut que la partie qui se trouve en Turquie devienne aussi sujette de la Perse, que, par conséquent, les terres qu'elle possède soient aussi abandonnées à la Perse, et si jamais à une époque quelconque la Perse pourra disputer à la Porte le droit de possession de ces terres.

"Ad 2^{me}. Que sous aucun prétexte quelconque la Perse ne pourra éléver des prétentions relativement aux pays situés sur la rive droite du Schatt-el-Arab, ni aux terres sur la rive gauche qui appartiennent à la Turquie, même dans les cas où des tribus Persanes en partie ou en totalité seraient établies sur la dite rive ou sur les dites terres.

(Signé) "TITOW.
"COWLEY.

The explanatory note has obviously no bearing upon the Sir A. Kemball, ancient Treaties nor upon the territorial claims of the Porte, except Memorandum dated April 2, 1875, No. 2585, p. 77.

In Sir H. Elliot's
No. 375,
July 22, 1875.

Sir A. Kemball,
March 30, 1875.

Sir S. Canning,
No. 221,
December 27,
1848.

Sir S. Canning,
No. 216,
December 19,
1848.

Yet the Porte, foisting upon this document some arbitrary or fanciful interpretation, has continually based upon the explanatory note its claim to revert to ancient Treaties, and to fix the boundary according to local tradition, not only at Mohammerah, but apparently also elsewhere.

The instructions furnished to the British and Russian Commissioners who were to be associated with Turkish and Persian Commissioners for the delimitation of the frontier under this Treaty were, for all practical purposes, identical. Colonel Williams was again appointed British Commissioner and Lieutenant Glascott, R.N., British Surveyor.

The following extracts from a despatch addressed to Colonel Williams by Her Majesty's Ambassador in December 1848 indicate the nature of these instructions :—

"The British and Russian Commissioners are not principals in the delimitation of the frontier. Their office, both jointly and separately, is auxiliary to that of the Turkish and Persian Commissioners. It has mainly in view the settlement of differences between them, a steady adherence to the terms of Treaty stipulation, and the employment of sound scientific principles in the execution of an arduous work. . . .

"The great length of frontier between Turkey and Persia, extending from Mount Ararat to the Persian Gulf, might well suggest the hope that only such parts of the line as have been settled in principle by the last Treaty of Erzeroum (1847) would require to be surveyed on the present occasion. These, as you know, are Mohammerah, Zohab, and, perhaps, Suliemanich, to which might be added some few places in dispute in the north, brought forward in the course of negotiation, but not comprehended expressly in the Treaty. Whatever may be our impressions on this subject, the Courts of Turkey and Persia must naturally have the ultimate decision of the question, though it is to be expected that they will not shrink from the obligation of leaving no part of their common boundary liable to dispute for the future, and that they will gladly avail themselves of the present concurrence, founded as it is upon the terms of the Treaty, to extend the blessings of certainty in that respect to the whole frontier population.

"Be that as it may, the same principles of operation will apply to the whole as to any portions of the line, with this single exception, that the regulation of those parts which are not expressly named in the last Treaty must be derived from the anterior, but not abrogated, Treaties to which reference is made in its concluding Article. Of the Treaties, in so far as they concern the boundary, a more distinct idea is given in the accompanying Memorandum, to which I refer you." (See No. 8793, Library, of the 6th December, 1906.)

Sir A. Kemball
(Extract, *vide
supra*).

Kotur.

The Commission did not assemble at Bagdad until the middle of the year 1849, the death of the Shah of Persia in the one case, and, in the other, the necessity pleaded by the Porte of acquiring information respecting the frontier near Van (for which purpose their Commissioner would make a *détour* in that direction), having retarded the advent of the Persian and Turkish members.

The Commission was detained for some time at Bagdad by the complications which arose from the proceedings of the Ottoman Commissioner in advancing, at the time of his visit to Van, the Turkish frontier beyond the district of Kotur, then in the actual possession of Persia, and in marking the line so advanced with pyramids and other structures. This proceeding, which constituted a flagrant violation of the *status quo*, is reverted to in a subsequent part of this Memorandum.

The Commissioners were at length united at Mohammerah, to commence operations in January 1850. The Russian Commissioner was Colonel Tchirikoff; the Ottoman, Dervish Pasha; and the Persian, Mirza Jaffer Khan.

The Ottoman Commissioner at the outset proceeded to allege proofs of ancient Ottoman suzerainty over the tribes in possession near Mohammerah, and recorded his claim to all the country included within the yellow line, marked on the map in Appen-

Sir S. Canning,
No. 110,
March 30;
No. 140, May 4;
No. 262,
August 26, 1850.

dix (B), with the exception only of the walled town of Mohammerah, and the Island of El Khizr, exclusive of the Island of Mohulleh.

Colonel Sheil,
No. 35,
March 25;
No. 50, April 22;
No. 60, May 24;
No. 86, July 22,
1850.

Mohammerah.

As an offset to these exorbitant demands, the Persian Commissioner put in his claim, as indicated by a green line on the map, on the ground that the country so defined was actually occupied, and had been occupied for untold years, by Persian tribes. He too, he said, could adduce rebutting evidence of ancient Persian suzerainty of a weight and character altogether superior to the proofs alleged by the rival Commissioner; but all such arguments, he maintained, had been finally disposed of at Erzeroum. He relied solely upon the plain wording of the Treaty to justify his claims, and, appealing to the mediating Commissioners, insisted upon actual possession as the principle which should rule generally the division of co-limitaly lands.

The mediating Commissioners pointed to the terms of the Treaty as being obviously opposed to the isolation of strips of territory belonging to either State within the limits of the other, involving, as it would, the absurdity of a triple boundary to each; and, for reasons which were acknowledged to be conclusive by the mediating Governments, they finally defined the common frontier, from the Gulf to Howeizeh, as shown on the map (Appendix B).

By this decision the debatable lands were pretty evenly divided between the litigants, and the security of Bussorah and Mohammerah was insured, both politically and commercially, to the respective States.

The Persian Government, though it protested against the separation of a portion of the Chaab tribe, its subjects, who were located in the lands situated to the west of the mediating Commissioners' line of frontier, eventually accepted their decision, which had been made somewhat favourable to Turkey in order to secure the river approach to Bussorah.

The Ottoman Commissioner not only rejected their decision and declined to abate one iota of his pretensions, but he further complicated the issue by demands of an exorbitant character, involving immediate satisfaction and a change in the *status quo*, and by intrigues among the tribes, which led, in due course, to serious disturbances.

At Constantinople the efforts of the Ambassadors to induce the Porte to accept the line recommended by the mediating Commissioners, as constituting, in conformity with the true intent and wording of Article II of the Treaty, the fairest demarcation for Mohammerah and its district, remained without effect. The Porte persisted in its interpretation of the "Explanatory Note" as justifying the adoption of the line laid down by its Commissioner.

The actual *status quo* at Mohammerah was ultimately provisionally accepted by the Ottoman and Persian Commissioners, under assurances in writing, conveyed by each to the mediating Commissioners, to leave aside past reclamations, and to renounce any change or innovation in respect to the troops or employés in the territories in dispute, or in respect to the condition of the inhabitants. When this understanding was reached, in November 1851, it was mutually agreed that the Commission should resume its work at the north point of the Province of Zohab, and make the necessary surveys and investigations from that point as far down as Howeizeh.

In its operation this understanding had the effect merely of Colonel Sheil, transferring to Zohab the scenes which had been enacted at Mohammerah, and of raising there difficulties attended with similar incidents and intrigues on the part of the Ottoman Commissioner.

In Conferences held at Mendali in December 1851 the rival Sir S. Canning, Commissioners each submitted, in writing, their proposals for No. 47, February 26, 1852.

Zohab.

carrying out the provision of the Treaty relating to Zohab, which is as follows:—

"The Persian Government agrees to abandon to the Ottoman Government all the level lands, that is to say, the lands of the western part of the Province of Zohab; and the Ottoman Government engages on its side to abandon to the Persian Government the eastern portion, that is to say, the mountainous districts of the Province of Zohab, with the Valley of Kerrind."

The mediating Commissioners commented on these proposals as follows:—

"Les prétentions du Commissaire Ottoman, poussées par les cimes des hautes montagnes presque à la frontière orientale de Zohab, ne laissent à la Perse à peu près rien de cette province. D'un autre côté, les prétentions du Commissaire Persan n'abandonnent à la Turquie que la basse plaine à l'extrémité occidentale de Zohab."

Colonel Williams and his colleague, after laborious surveys of the geographical features of the province, prepared a map (see Appendix C) indicating the line which, in their opinion, the frontier should follow. This was communicated to the two Mussulman Commissioners together with a Memorandum setting forth the logical considerations upon which their decisions were based.

Early in 1852 the situation was again rendered more difficult by the declaration of the Ottoman Commissioner that he must suspend his Commission until the Persian Government had re-established the *status quo*, as understood by the Porte, at Mohammerah and Zohab. The three other Commissioners then determined, as the only alternative of an indefinite suspension of their labours, to survey together the country comprising the line of frontier between Mendeli and Howeizeh. As this ground had been already twice travelled by their Turkish colleague and his engineers, they only placed themselves on an equality with him by now examining it.

The only issue from the deadlock which now supervened consisted, in the opinion of the two mediating Ambassadors at Constantinople, in substituting arbitration for mediation as a means of settlement, and their opinion was adopted by their respective Governments, though not without material reserve by Russia. But this issue, however palatable to the Shah, who accepted it without further reservation than the restitution of Kotur and the admission of the Treaty of Erzeroum as the basis of delimitation, was peremptorily and persistently rejected by the Porte. The only resource that then remained for adoption was to restrict the labours of the Commission to the construction of a map, comprising a zone of country from 20 to 50 miles broad, within whose limits the common frontier would have to be subsequently traced, and to the collection of information to elucidate that frontier, the actual work of delimitation being thenceforward postponed until the requisite materials should have been provided. This course was by mutual consent adopted.

In April 1852 Colonel Williams reported that he had then in his possession such detailed surveys as were necessary to construct a map of the frontier from the Persian Gulf to the north point of Zohab.

Early in May the Ottoman Commissioner rejoined his colleagues.

Colonel Sheil.
No. 17.
February 20, 1852.

Colonel Sheil.
No. 30, March 5;
No. 34, August 10;
No. 96, August 13;
and No. 98,
August 15, 1852.

Sir S. Canning,
No. 280,
September 17,
1851; No. 32,
February 18, 1852.

Colonel Sheil,
No. 24,
February 23;
No. 38,
March 31, 1852.

Sir S. Canning,
No. 115, May 19;
No. 127, June 5,
1852.

Colonel Rose
(Therapia), No. 4,
July 4, 1852.

Colonel Rose,
(Therapia), No. 2,
July 2, 1852.

Colonel Sheil,
No. 94,
August 10; No. 96,
August 13, 1852.

Lahidjan.

The progress of the Commission from Zohab to Mount Ararat was everywhere marked by the defection of the Ottoman Commissioner, who devoted himself to a course of secret intrigues—more notably at Serdesht, Banna, Lahidjan, and Ushni—for the purpose of seducing Persian subjects from their professed and (in the opinion of the mediating Commissioners) well-established allegiance to the Shah.

On the 14th September, 1852, Colonel Williams reported to Her Majesty's Government the conclusion of the survey of the Turco-Persian frontier, together with the necessary investigations, along the whole line from the Persian Gulf to Mount Ararat.

Colonel Williams proceeded to England on leave early in 1853, and the supervision of the map-work thereupon devolved upon Lieutenant Glascott. In November 1857 the British Commission was transferred from Constantinople to St. Petersburgh, and in 1865 it was announced that the maps were completed. On examination, however, the Russian and English maps proved so inaccurate that the respective Ambassadors at Constantinople refused to sign them. The work of revision then lasted until 1869.

In a despatch to Lord Malmesbury, dated Constantinople, the 4th January, 1853, Colonel Williams spoke of his intention of drawing up a Report, in conjunction with his Russian colleague, embodying their opinions and decisions upon every portion of the frontier. Unfortunately all the notes and memoranda upon which this Report was to be based were lost on their passage up river to Woolwich.

It is important to emphasize the effect of this loss. In a despatch dated the 26th February, 1850, to Colonel Sheil, Lord Palmerston had laid it down as the view of Her Majesty's Government that territorial restitution should be confined to Mohammerah, Zohab, and Suliemanich, in accordance with the Treaty of 1847, but that otherwise the *status quo* should be maintained. It is now, however, impossible to determine what, in the opinion of the mediating Commissioners, constituted the *status quo* of 1843. The only parts of the frontier actually delimited were Mohammerah to Howeizeh and the Province of Zohab. Kotur was merely surveyed, and the mediating Commissioners expressed their strong opinion that this district should be restored to Persia; they did not place on record what, in their view, constituted the district of Kotur or how its frontier should run—an omission which caused much inconvenience at a later period.

On the termination of the frontier survey the Persian Government appealed to the mediating Powers to vindicate the rights of Persia in respect to Kotur—a question which had only been allowed to remain in abeyance pending an investigation by the mediating Commissioners. These rights were fully established and certified by the mediating Commissioners after their arrival on the spot, the possession of Kotur, as comprising an important pass, being, moreover, declared by them to be indispensable to the security of Persia. The negotiations in connection with the Turco-Persian boundary were necessarily suspended during the Crimean War, and their suspension was prolonged by the rupture of relations between Great Britain and Persia. But on the return of a general peace, the Persian Government renewed and constantly reiterated its former appeals to the Powers for the restitution of Kotur. The Porte remained obdurate to all the appeals of Great Britain and Russia; and it was not till 1879, in virtue of Article LX of the Treaty of Berlin, that the town of Kotur was restored to Persia.

Colonel Williams
to Foreign Office,
September 14,
1852.

To Mr. Elliot,
No. 292,
September 14,
1869.
Lord Lyons,
No. 15,
January 10, 1867.

Sir A. Kemball's
letter of
October 30, 1878.

Colonel Sheil,
No. 94,
August 10, 1852.

Kotur.

Colonel Sheil,
No. 181,
December 13,
1852.

Lord Stratford de
Redcliffe, No. 592,
October 14, 1854.

Mr. Thomson,
No. 140,
July 16, 1854.

General Sir W. F.
Williams,
February 11,
1854;
December 15,
1857.

Lord Stratford de
Redcliffe,
No. 1,054,
December 2, 1857.

To Lord Stratford
de Redcliffe,
No. 59,
February 15, and
No. 156,
April 13, 1854.

To Mr. Alison,
No. 149,
February 22;
No. 49,
March 22, 1858.

Mr. Alison, No. 10, to a dispute arising out of the pretension of the Persian Government to build forts at Merivan, Lahidjan, and Avraman, which places, the Turkish authorities maintained, were within the districts included in the *status quo* as disputed territories. In view of this contention, and of the inclusion of Lahidjan in the district now (1906) in dispute, it is interesting to note that Colonel Williams, in a despatch dated Ushni, the 18th July, 1852, referred to Banna, Serdesht, and Lahidjan as "portions of the Shah's dominions within the *status quo* of the actual boundary."

Sir H. L. Bulwer,
No. 219,
April 30, 1861.

Lahidjan.

Mr. Alison,
No. 101,
September 30,
1865.

To Sir A.
Buchanan, No. 7,
November 15,
1865.

Colonel Shell,
No. 94,
August 10, 1852
(Inclosure 4).

Finally, in 1869, the identic map was ready for communication to the Turkish and Persian Governments.

The British and Russian Representatives communicated copies of the map to the Porte in October 1869, and (in accordance with an agreement reached by Great Britain and Russia in 1865) expressed the expectation of the mediating Powers that the line of boundary between the respective dominions of the Sultan and the Shah would be found within the limits traced on the map, and that the Ottoman and Persian Governments would themselves mark out that line, but that, in the event of any difference arising between them in regard to any particular locality, the points in dispute should be referred to the Governments of England and Russia.

In February 1870 similar action was taken at Tehran.

Prolonged negotiations ensued as to how the wishes of the mediating Powers could be carried into effect, and these negotiations were characterized by much procrastination and arbitrary delay on the part of the Mussulman Powers, and more especially Turkey. Meanwhile there was no abatement of the frontier incidents (particularly in the Pusht-i-Kuh district), which had ever been a chronic source of annoyance to all the Governments concerned. On the contrary, these differences rather gained in intensity between 1869 and 1873, and furnished occasions of appeal more urgent than usual for the intervention of the mediating Powers. It appeared that a new element of discord had been introduced by a Convention which was concluded in August 1869, by which Turkey and Persia undertook that, pending the settlement of the disputed boundary, the *status quo* should be maintained and no new buildings should be erected upon the debatable territories. The *status quo* therein prescribed, being differently appreciated by either litigant, proved to be a varying quantity, of which each side endeavoured to appropriate the larger share.

The Persian Government persistently applied for the *status quo* to be re-established on the basis of 1843, as indicated in Colonel Williams' Reports, but these, as has been shown, were no longer forthcoming.

In December 1874 Persian and Ottoman Commissioners at length met at Constantinople, in order to trace out the definitive frontier on the identic map.

Early in January 1875 the Persian Minister at Constantinople informed the British and Russian Ambassadors that the two Commissioners had been unable to agree upon the basis of delimitation, the Persian Commissioner desiring to proceed upon the basis of the Treaty of Erzeroum, the Ottoman to revert to the Treaty of 1639.

Mr. Thomson,
No. 11,
February 8, 1870.

To Sir E. Thornton,
No. 95,
April 19, 1884.

Pusht-i-Kuh.

Mr. Elliot, No. 337,
August 6, 1869.

To Sir H. Elliot,
June 11, 1873.

Malcolm Khan,
June 27, 1873.

Sir H. Elliot,
No. 36,
June 11, 1874.

Sir H. Elliot,
No. 57,
January 13, 1875.

In consequence of this deadlock the Ambassadors addressed January 12, 1875, identic notes to the Porte, proposing that British and Russian Delegates should attend the sittings of the Frontier Commission, as requested by the Persian Government.

Before the Ottoman Government would assent to the proposal they elicited an assurance from Her Majesty's Ambassador that the "explanatory note" of 1848 would be regarded as no less formal an instrument than the Treaty of that year. Her Majesty's Ambassador, while acceding to the request of the Porte, expressed the hope that some compromise would be reached as a basis of negotiation.

General Sir Arnold Kembell was now (March 1875) nominated British Delegate to attend the conferences at Constantinople. The Russian Delegate was Colonel Zelenoi.

The appointment of Sir A. Kembell, who had served in Persia and had spent several years as Consul-General at Bagdad, was received with much satisfaction by the Ottoman Government. He was already acquainted with parts of the frontier zone, and before proceeding to Constantinople had the advantage of much verbal intercourse with Sir Fenwick Williams, his predecessor on the Commission.

The Ottoman Commissioner was again Dervish Pasha, who had done so much to impede the Commission of 1848-1852.

The first conferences of the new Commission took place in June 1875. The Ottoman and Persian Commissioners were each invited to trace, within the frontier zone indicated on the Identic Map of 1869, a line showing the boundary they respectively claimed; when ready these tracings, together with explanatory Memoranda, were to be laid before the Commission.

Dervish Pasha expressed his inability to do this, since the line he intended to trace lay altogether to the east of the so-called frontier zone, and was based on the solitary surveys he had made while separated from his colleagues on the former Commission.

As a result of this attitude, the Ambassadors made energetic representations to the Porte, and stated that any line passing outside the frontier zone on the Identic Map would not even be taken into consideration by the mediating Delegates.

The Porte hereupon formally recognized the zone as embodying the limits within which the frontier line should be traced; but this admission, it was added, would *ipso facto* lapse if the Commission then sitting did not arrive at a definite settlement of the frontier question.

About this time the Persian Government intimated that they would agree to the arbitration of Great Britain and Russia, and accept any line within the zone laid down by the mediating Delegates.

The last sitting of this Commission was held in January 1876. The Turkish Memorandum, and the tracing of the frontier as claimed by the Porte, were duly presented; but, owing to a misapprehension on the part of the Persian Commissioner, the Persian Memorandum and tracing were not ready. Much delay ensued in consequence, and in July 1876 the outbreak of the Servian war put a stop to all further proceedings. The Persian documents were only communicated on the eve of this war.

Sir A. Kembell was now appointed British Military Attaché; and in February 1877 he reported that there was no prospect of the Frontier Commission resuming its work for an indefinite time. In April 1877 the Russo-Turkish war began, and all negotiations on the frontier question were suspended till the following year. The following passages, from letters from Sir Arnold Kembell, serve to focus the situation on the termination of this Commission:—

"As desired by your Excellency, I have the honour to state, in the matter of the progress made in the settlement of the Turco-Persian boundary, that the labours of the Joint Commission had reached their final

Sir H. Elliot,
No. 261,
May 28, 1875.

Sir H. Elliot,
No. 172,
March 31, 1875.

Sir H. Elliot,
No. 375,
July 22, 1875.

Sir H. Elliot,
No. 498,
August 29, 1875;
No. 552,
September 15,
1875.

Mr. Thomson,
No. 125,
August 12, 1875.

Sir H. Elliot,
No. 141,
February 1, 1876.

Sir H. Elliot,
No. 663,
June 24, 1876.
Sir A. Kembell,
February 14, 1877.

Sir A. Kembell,
March 14, 1878
(in Mr. Layard's
No. 369 of
March 19, 1878).

stage, when they were suspended by the outbreak of war with Servia. After many sittings, which remained without effect in reconciling the long-standing differences between the two countries, the Turkish and Persian Commissioners had consented respectively to embody their pleas in memoranda to be submitted to the appreciation of the Delegates of the mediating Powers, but the preparation of the certified translations of these memoranda (which by my Russian colleague was deemed to be indispensable) had been so much delayed as to prevent our considering *seriatim* the matters involved, and recording our conclusions regarding them in an official form.

"Guided, however, by the discussions at which we had assisted, and by the Minutes of our predecessors (as also by the confidential Report of the Turkish Commissioner, who had been engaged in the delimitation of 1848-51) we had under reserve determined in private conference the principles upon which our judgment should proceed, and had, subject to revision, sketched in a general way the line of common frontier which appeared to us to meet fairly the exigencies of conflicting claims. . . ."

Sir A. Kemball to
Lord Tenterden,
October 30, 1878.

" . . . I desire to call your Lordship's attention to my letter of the 14th March, 1878, to Her Majesty's Ambassador at Constantinople.

"In my opinion the Turkish and Persian Governments would severally consult their best interests by accepting the line of common frontier therein referred to, as appearing to my Russian colleague and myself to meet the exigencies of their conflicting claims. That line will be found clearly laid down with silver ink [but see letter from Sir A. Kemball of the 3rd June, 1880] on the separate working maps used by my Russian colleague and myself, which are lodged with all the documents relating to the proceedings of the Commission at Her Majesty's Embassy at Constantinople.

"As the result of private discussions of some delicacy and difficulty, of which from the nature of the case no record could be retained, though the voluminous papers on which they were based with translations are, of course, extant, I venture to recommend that line with little reserve. It embodies the conscientious appreciation of complicated pretensions, based upon the alternate possession and dispossession of territory by conquest in the course of centuries, but it partook necessarily of the nature of a compromise to which neither Delegate would be committed in detail, and inasmuch as our office as Delegates was not one of arbitration but of mediation, and inasmuch as our conclusions were arrived at as it were out of Court, these conclusions could not probably be enforced as decisions without appeal. Admitting them, however, to be rightly liable to revision, they have at least the merit of embracing the subject as a whole, and of presenting at one view the compensations and mutual sacrifices which are proposed from end to end of the line. Their effect would be to throw upon either party the onus of determining the particular points which he may suppose he has sufficient reason to contest, and to limit his contention thereto. . . ."

Sir A. Kemball,
June 3, 1880.

"General Hamley has in every respect taken a correct view of the matter. I must have been in error in supposing that silver ink indicated the mediating Delegates' intermediate line. That line appears to have been dotted in pencil, sometimes falling on and following the silver line, which defines the Persian pretensions, sometimes the gold line, which defines the Turkish pretensions, but more generally, I believe, following a course which is intermediate between the two."

It appears from these extracts that there exist in the archives of the Embassy at Constantinople maps indicating the line which, in the opinion of Sir A. Kemball and Colonel Zelenoi, the frontier might fairly follow the whole way from Mount Ararat to the Persian Gulf.

Kotur,
Mr. Thomson,
No. 89, Secret,
July 10, 1878.

During the Russo-Turkish War Russia prevailed upon Persia to maintain an attitude of neutrality; and, in return, when Russia came to terms with Turkey she caused an Article (No. 18) dealing with the question of Kotur to be inserted in the Treaty of San Stefano.

This Article was confirmed by Article LX of the Treaty of Berlin, which is as follows:—

"The valley of Alaschkerd and the town of Bayazid, ceded to Russia by Article XIX of the Treaty of San Stefano, are restored to Turkey.

"The Sublime Porte cedes to Persia the town and territory of Kotur, as determined by the Mixed Anglo-Russian Commission for the delimitation of the frontiers of Turkey and Persia."

On the 25th January, 1879, the town and a portion of the territory of Kotur were formally ceded to Persia by the Ottoman authorities and occupied by Persian troops.

Mr. Abbott,
No. 3,
February 27, 1879.
Sir H. Layard,
No. 1369,
November 4, 1878.

Mr. Thomson,
No. 58,
March 13, 1879.

To Lord Dufferin,
No. 278,
May 1, 1879.

To Major Clarke,
April 14, 1879.

To Lord Dufferin,
No. 278,
May 1, 1879.

A difference of opinion arose, however, between the two Powers in regard to what precisely constituted the "territory of Kotur."

Her Majesty's Government and the Russian Government considered that the intermediate line agreed upon in 1876 by Sir Arnold Kemball and Colonel Zelenoi should be adopted as a basis for the demarcation of Kotur, as the Plenipotentiaries at Berlin had clearly in their mind a decision made, or to be made, by that Commission.

A Commission composed of British, Russian, and Turkish Delegates was appointed in March 1879 to demarcate the "frontiers of Turkey in Asia" in accordance with Article LX of the Treaty of Berlin. This Commission did not reach Kotur in 1879, being occupied with the Russo-Turkish frontier.

In 1880 General Sir E. Hamley was appointed British Commissioner; on the 27th July, this officer and General Zelenoi met at Sary Kamish and signed a Protocol and maps fixing the frontier of Kotur.

The originals of these documents are in the Foreign Office Library. See original Treaties, "Turkey No. 44."

In April 1881 a joint communication was made to the Porte by the British and Russian Representatives, recommending the adoption of the line laid down by General Hamley and General Zelenoi. Mr. Goschen, No. 408, May 24, 1881.

In a Memorandum dated the 1st May, 1883, the Porte declared its readiness to proceed with the delimitation "in accordance with the boundary traced by the Anglo-Russian Commissioners."

The Map and Protocol of July 1880 were then communicated to the Persian Government, who forthwith appointed a Commissioner.

Colonel Everett and Colonel Kulberg were appointed to assist the Turco-Persian Commissioners in the work of demarcation on the frontier.

Mr. Wyndham reported on the 29th May, 1883, that the Porte only accepted the Map and Protocol of 1880 "with certain reserves."

Much delay ensued in negotiating about these reserves, and in September 1883 the Ottoman Government informed Her Majesty's Representative that the delimitation must stand over till the following year.

In February 1884 Lord Dufferin reported that the Porte altogether repudiated the Hamley-Zelenoi line. The British and Russian Ambassadors continued to press for the issue of an Iradé authorizing the acceptance of this line, but with no success. In a despatch dated July 1884 Lord Dufferin animadverted with much ardour upon the attitude of the Ottoman Government, which he attributed largely to the influence of Germany. On the 22nd January, 1885, it was reported that the Iradé had not yet been issued; and the Kotur question appears to have been allowed to drop. The Sultan considered the proposed cession of territory to be unjust, and expressed the view that some of the other stipulations of the Treaty of Berlin, less unfavourable to Turkey, should first be carried into effect.

Mr. Wyndham,
No. 334,
May 29, 1883.

Mr. Wyndham,
No. 512,
September 7, 1883;
No. 524,
September 9, 1883.

Lord Dufferin,
No. 66,
February 24, 1884.

Lord Dufferin,
No. 231,
July 15, 1884.

Mr. Wyndham,
No. 378,
November 10,
1884.

Mr. Wyndham,
No. 34,
January 22, 1885.

Pusht-i-kuh.
To Sir E. Thornton,
No. 95,
April 19, 1884.

Foreign Office,
Memorandum,
October 2, 1888.

Sir E. Thornton
(St. Petersburg),
No. 153,
May 17, 1884.
Sir W. White,
No. 76,
Telegraphic,
October 22, 1888.
Sir W. White,
No. 272,
July 17, 1889.

In 1884 a dispute arose in the Pusht-i-kuh or Baggai district. Her Majesty's Government made a proposal to the Russian Government that British and Russian Commissioners should be appointed to endeavour to effect an agreement.

This proposal was accepted by the Russian Government, but when the course to be pursued was communicated to the Porte (in June 1884) its attitude was evasive for some years, and a disposition to minimize the incidents in question was manifested.

Finally, in July 1889, Sir William White reported as follows:—

"It was only last April that I received from the Sublime Porte a note replying to one addressed to it by Sir Edward Thornton on the 5th August, 1886—i.e., nearly three years ago—relative to the Pusht-i-kuh dispute. Sir Edward had pressed for an answer to the proposal that the Ottoman and Persian Governments should each nominate a Commissioner to prepare a joint Report on the question, to be submitted to the decision of the two mediating Powers. The Ottoman Government has now absolutely declined to accept the proposal on the ground that the territory in dispute forms an integral part of the Ottoman Empire.

"The Pusht-i-kuh question is therefore likely to remain an open sore like that of the Kotur villages, many of which are still in the occupation of the Turkish Government."

Vazné and Lahidjan.

Mr. Stuart
(Tabriz), No. 28,
June 18, 1890.

The correspondence between 1889 and 1894, comprising some 400 despatches and telegrams, relates principally to Vazné and Lahidjan.

Vazné^o is a small hamlet—or, more properly speaking, a grazing ground which has come to be inhabited. It is situated at the southern extremity of the extensive district of Lahidjan, and is clearly shown on Colonel Maunsell's map of Asiatic Turkey (1904).

Both Vazné and Lahidjan are indicated on the map in Appendix (D).

Mr. R. J. Kennedy,
No. 131,
June 24, 1890.

In 1888 the Turks complained that the Persian tribe of Mankoor had occupied Vazné, which it was alleged was Turkish territory. The Persian Government denied this, and when, in 1889, the Porte demanded that the tribesmen should evacuate the territory in dispute within three weeks, the Persian Government appealed to Great Britain and Russia to intervene.

The Turkish Ambassador at Tehran informed Her Majesty's Representative that Persia was too fond of making appeals to the mediating Powers, and added that Turkey always had and always would settle disputes of the kind with Persia without reference to any friendly or mediating Power.

Turkey contended that Vazné was in the Kaza of Mergué, dependent on the Sanjak of Suliemanieh; Persia that both Vazné and the more northerly district of Mergawer were Persian territory.

Persia declared that the Kandil Dagh (see Appendix D) should be the frontier; the Porte asserted that Vazné was bounded by the River Malin, which nobody proved able to locate.

Sir W. White,
No. 320,
August 12, 1889.

Sir H. D. Wolff,
No. 15,
Telegraphic,
January 15, 1890.

Sir W. White,
No. 35,
January 18, 1890.

Sir F. Lascelles,
No. 143,
September 20,
1892, &c.

A dispute in regard to the ownership of Lahidjan was closely connected with that at Vazné, and the negotiations in regard to the two questions were carried on together. It is noticeable in the

* If a railway is made from Julfa to Bagdad it will not improbably pass through the defile of Vazné.

correspondence that the local disagreements in these districts usually became less pronounced when the harvest time was over.

The efforts of the mediating Powers to bring about a settlement proved of no avail, except in so far as they averted a serious conflict. These efforts were principally directed to the dispatch of Turkish and Persian Commissioners to the disputed districts.

In November 1894 Her Majesty's Ambassador at Constantinople reported that the Persian Government had decided not to send their Commissioner to Vazné until the following April, as that place was practically inaccessible in winter. It does not appear, however, that the Commissioners of the two Powers ever actually met.

In 1891 a dispute arose in the Zohab region, but it apparently was of no great importance.

Sir P. Currie,
No. 549,
November 28,
1894.

Sir F. Lascelles,
No. 237,
November 1891.

Mohammerah.
Sir F. Lascelles,
No. 166,
November 7, 1893.

Sir F. C. Ford,
No. 526 A,
November 14,
1893.

The Russian Ambassador at Constantinople treated as ridiculous the Turkish claim to the left bank of the Shatt-el-Arab.

On the 18th November, 1893, Her Majesty's Ambassador reported that he considered the question of Mohammerah as settled, the Minister for Foreign Affairs having informed him that the Turkish Government laid no claim whatever to that place.

Sir F. C. Ford,
No. 96,
Telegraphic,
November 18,
1893.

In November 1893 the Turkish Government informed the Persian Ambassador at Constantinople that "they had written to the Customs Agent at Bussorah that Mohammerah was a Persian possession, and that imports to it were not to be taxed."

Sir F. Lascelles,
No. 190,
December 3, 1893.

In May 1904 there was an affray between Turks and Persians at Simbar, near Mendali. The matter attracted some attention on account of the proximity of the d'Arcy Petroleum Wells.

Sir A. Hardinge,
No. 102,
June 7, 1904.

Sir N. O'Conor,
No. 411,
May 30, 1904.
Sir C. Hardinge,
No. 333,
July 4, 1904.

2. The Present Dispute.

(See Appendices D and E.)

In October 1905 the Persian Government informed His Majesty's Chargé d'Affaires that Ottoman troops had entered the districts of Vazné and Lahidjan. In making this communication, they appealed for the support of His Majesty's Ambassador at Constantinople in the representations which the Persian Ambassador had been instructed to make to the Porte.

Vazné,
Lahidjan, and
Mergawer.

Mr. Grant Duff,
No. 217,
October 10, 1905.

Sir N. O'Conor was authorized to use his good offices if he thought such a course desirable.

To Sir N. O'Conor,
Telegraphic,
October 9, 1905.

On the 18th December, 1905, his Excellency reported that the Ottoman Government, while refusing to withdraw their troops from the territory in dispute, agreed to the appointment of a Mixed Commission to investigate the claims of the two Governments, though they contended that Vazné, Lahidjan, and Passova (which had also been occupied by a Turkish force) indubitably formed part of the Ottoman Dominions. The Ottoman forces on the frontier had, meanwhile, been considerably strengthened, and a

Sir N. O'Conor,
No. 214,
Telegraphic,
December 18,
1905.
No. 924,
December 18,
1905.

conflict might easily follow if the existing situation were prolonged. In these circumstances, Sir N. O'Conor had co-operated with his Russian colleague in urging the Persian Ambassador to accept the proposal of the Porte.

The Persian Government were at first only willing to agree to the arrangement provided the disputed territory was previously evacuated by the Turkish troops; but His Majesty's Government recommended that they should accept it without this stipulation.

Mr. Grant Duff,
No. 181,
Telegraphic,
December 26,
1905.

To Mr. Grant Duff,
No. 97,
Telegraphic,
December 26,
1905.

Sir N. O'Conor,
No. 188,
March 20, 1906.

Sir N. O'Conor,
No. 294,
May 1, 1906.

No. 324,
May 9, 1906.

Sir N. O'Conor,
No. 353, Secret,
May 20, 1906.

No. 65,
Telegraphic,
April 23, 1906.

No. 70,
Telegraphic,
April 28, 1906.

Mr. Grant Duff,
No. 134,
May 21, 1906.

Mr. Grant Duff,
No. 132,
Telegraphic,
May 10, 1906.

Sir N. O'Conor,
No. 433,
Very Confidential,
June 26, 1906.

Much discussion of a desultory nature took place between the Porte and the Persian Ambassador, who embodied in two notes the Persian arguments. These remained for some time unanswered, but on the 30th April, the Porte replied urging the appointment of a Persian Commissioner to meet the Ottoman Commissioner on the frontier.

The Persian Government finally agreed to this proposal, and appointed a Commissioner, but expressed the hope that Passova would first be evacuated, as this place was considerably to the west of the frontier zone, as shown on the "Identic Map."

Sir N. O'Conor and the Russian Ambassador repeatedly made representations to the Ottoman Government and counselled moderation; but in May, His Majesty's Consul-General at Tabrize reported that the Turks had taken complete possession of the districts of Dasht and Mergawer (which lies midway between Urumiah and Ushni); that Turkish soldiers, fully armed, had visited the town of Urumiah, and warned the Governor to cease levying taxes along the frontier; and that the Turkish troops in the neighbourhood of Urumiah had been reinforced.

In a despatch dated the 26th June Sir N. O'Conor reported a conversation with the Grand Vizier on the situation:—

"... Although the Sultan had agreed to the appointment of Joint Commissioners, he was disinclined to allow them to report what was incontestably the fact, that Passova was situated within the Persian frontier, and should be evacuated. His Highness added that he had staked his influence and reputation with the Sultan by assuring His Majesty that if he agreed to withdraw his troops from Passova he would manage to do so without any loss of prestige to the Caliphate, and that possibly they might get some compensation in the direction of Soujboulak and Bayazid, where Persian troops had occupied some places which were clearly outside their proper frontier. Zeki Pasha and the other Ottoman Commissioners were due at Mosul to-morrow, and would reach Passova in four or five days. These officers left without seeing him, and he did not know what instructions they had got from the Palace or the Minister of War. It was quite possible they had been told to report against the evacuation of Passova. But they had no papers with them to prove their case, and when their report came in, His Highness would see to it that a report was sent to the Sultan establishing beyond doubt the Persian claim to Passova.

"I pointed out to his Highness that it was his duty not to leave the Sultan in any doubt as to the grave danger of the course which was guiding his policy for some time past in regard to this question; that if the Hamidieh regiments once got out of hand there was no saying how far disturbances would spread, and that not only was there a strong probability of their extending to the Bagdad and Bussorah regions, where already there was a good deal of disorder and unrest, but that they might also take a backward course and set up a revolution in Asia Minor, where the condition of affairs in the Caucasus was already having its effect. I said that the maintenance of tranquillity in the regions of the Persian Gulf was a matter of deep concern to His Majesty's Government; that frontier disturbances

must necessarily peculiarly affect the Russian Government at this moment; and that if Turkey provoked by her policy and action a conflagration, the consequences, however disagreeable to us, might be very serious for Turkey.

"His Highness said I might rely upon his doing all in his power to come to an amicable arrangement with the Persian Ambassador. He was quite aware of the dangers towards which their policy in regard to this question was leading them. His adversaries, however, were numerous and energetic, and the struggle he was carrying on almost single-handed was rapidly wearing him out."

In July the Russian Government expressed much anxiety as to the situation, and Sir N. O'Conor was authorized to renew his representations in concert with his Russian colleague.

On the 27th July Mr. Grant Duff reported that the Frontier Commissioners had met; but on the 18th August the Persian Government informed him that the Turkish Commissioner had left for Suliemanich, and that the Ottoman authorities were collecting taxes in Mergawer.

Sir N. O'Conor had a consultation with the Russian Chargé d'Affaires as to the best course to be pursued, on the 21st August:—

To Sir N. O'Conor,
No. 108,
Telegraphic,
July 18, 1906.

Sir N. O'Conor,
No. 578,
August 21, 1906.

"M. Svetchine was anxious to elicit from me an expression of opinion as to what we should do in case the Ottoman Government continued to pursue a policy of aggression. I said that I was not inclined to think the Sultan would favour a decidedly militant or forward policy, although I was sceptical as to the Ottoman troops evacuating Passova.

"I had already warned the Porte that if they provoked a conflagration which extended into regions where our interests were predominant and very great we should be obliged seriously to consider the steps we should take, but that I was rather averse to direct menaces which we were unlikely to carry into execution so long as the policy of the Porte did not exceed certain limits. I said that under present circumstances I thought our best line of policy was to leave the Ottoman Government in doubt as to what we should do, while losing no opportunity of letting them see that we were following the question with great interest, and considered that our former intervention in the frontier delimitation imposed upon us both rights and obligations which we could not ignore if they pushed matters to extremes. I felt assured from information that had reached me that our representations and the interest we both showed in the question had acted as a restraint upon both the Porte and the Sultan, and I thought the best thing we could do was to continue in this line of policy.

"M. Svetchine said he entirely agreed with me, and would report to his Government in the same sense."

The Ottoman Minister for Foreign Affairs stated on the 28th August that it was absolutely untrue that the Turkish authorities were collecting taxes in Mergawer. The Turkish Commissioner had only suggested transferring the negotiations to Mosul, but he had at once been instructed to remain at Passova and to proceed with the joint deliberations.

The situation continued, however, to show no real improvement, and in the beginning of October the Persian Ambassador made the following communication to the British and Russian Representatives at Constantinople:—

Sir N. O'Conor,
No. 601,
August 28, 1906.

"The Turkish Commissioner has proposed the River Lahan as frontier, which would give Turkey Old Lahidjan, Vazne, Naalenfakir, and other important places.

"The Persian Government cannot admit that all these places, which are needed by Persian tribes, should be abandoned to Turkey. The Turkish Commissioner, seeing that his Persian colleague rejects his proposal, wished to leave the frontier, but has been persuaded to remain a few days. The Persian Government, seeing, to their great regret, that Turkey is not disposed to terminate the question, beg the British and Russian Representatives to concert with the Persian Ambassador, and to proceed to negotiate with the Sublime Porte with a view to submitting the question to arbitration and to indicating the Arbitrators."

Mr. Barclay,
No. 196,
Telegraphic,
October 5, 1906.

Both Mr. Barclay and the Russian Ambassador were doubtful whether the Porte would accept arbitration.

Mr. Barclay,
No. 719,
October 26, 1906.

Some doubt arose as to the position of the River Lahan. No river of this name is marked on the "Identic Map." There is a River Lavan or Lavène, which flows to the east of Lahidjan and is near the centre of the frontier zone. There is another, named the Leuven (marked only in Colonel Maunsell's Map of 1904), which flows somewhat to the west of Passova, forming the eastern limit of the frontier zone. Mr. Barclay considered that the river which Turkey was claiming was the Leuven (see Appendix D).

To Sir A. Nicolson,
No. 467,
October 16, 1906.

The Russian Government considered it necessary and desirable that they should decide, in concert with His Majesty's Government, what course should now be pursued. The unsuccessful efforts of the two countries to settle the question had not failed to produce an unfavourable impression at Tehran, and an opening might thus be found for the intervention of Germany, as that Power could base her interference on her Treaty with Persia of 1873 (Article XVIII), and might thereby materially strengthen her position in Persia.

Mr. Barclay,
No. 729,
October 30, 1906.

On the 30th October an identic communication, in the following terms, was made to the Porte by the British and Russian Representatives:—

"Aide-mémoire."

"Il y a à peu près une année qu'un différend a surgi entre la Turquie et la Perse à la suite de l'occupation par des troupes Ottomanes des localités qui depuis quelque temps formaient un objet de contestation entre ces deux Puissances, Vazné et Lahidjan, ainsi que de Pesvé, qui indubitablement est situé sur le territoire Persan.

"Les Représentants des deux Puissances médiatrices, l'Angleterre et la Russie, ont à plus d'une reprise été chargés par leurs Gouvernements respectifs de recommander aux deux Puissances Musulmanes de s'entendre sur une ligne de frontière à fixer dans ces parages. Des Commissaires Ottoman et Persan ont été envoyés dans ce but sur les lieux, mais, ainsi qu'il résulte des informations parvenues tout récemment aux Cabinets de Londres et de Saint-Pétersbourg, les négociations entre les dits Commissaires n'ont point abouti, et le différend risque de se compliquer.

"Dans cet état de choses le Gouvernement Persan a cru devoir intervenir auprès des dits Cabinets pour les prier de proposer à la Sublime Porte de recourir aux bons offices des Puissances médiatrices pour la solution du différend en question.

"La zone dans les limites de laquelle la ligne de frontière entre la Turquie et la Perse devrait être fixée ayant été précédemment définie par les Commissaires des deux Puissances médiatrices, les Gouvernements d'Angleterre et de Russie, étant animés du désir de contribuer à une solution équitable des contestations pendantes et au rétablissement des rapports de bon voisinage entre les deux Puissances Musulmanes, sont prêts à user de nouveau de leurs bons offices, et de nommer des Commissaires, qui, conjointement avec les Commissaires Ottoman et Persan, auraient à fixer la frontière dans les limites de la dite zone.

"En portant cette proposition à la connaissance du Gouvernement Impérial Ottoman, le Chargé d'Affaires d'Angleterre et l'Ambassadeur de Russie se plaisent à espérer que, confiant dans les sentiments d'impartialité qui animent les deux Puissances médiatrices, la Sublime Porte n'hésitera pas à adhérer à la proposition ci-dessus exposée."

This communication was not unfavourably received at the Porte, and Mr. Barclay reported:—

"Neither to M. Maykow nor to me did the Grand Vizier or Tewfik Pasha evince any unwillingness to have recourse to the good offices of the mediating Powers in the event of the two Moslem Powers being unable to come to an agreement by themselves. Tewfik Pasha, indeed, spoke to me of our mediation as being the natural solution in such a contingency, adding that recourse to our good offices was quite admitted in principle. They told me, however, that they had suggested to the Persian Government that, as Persia objected to the frontier proposed by the Ottoman Commissioner, she should make a counter-proposal, and that they had heard the day before from the Turkish Ambassador at Tehran that instructions had been sent in

the desired sense to the Persian Commissioner, and until the Porte knew the nature of the Persian counter-proposal they were not in a position to reply to our communication."

On the 20th October the Persian Government stated that the Sir C. Spring-Rice,
No. 296,
Telegraphic,
October 20, 1906.

On the 31st October Sir C. Spring-Rice telegraphed that the Sir C. Spring-Rice,
No. 321,
Telegraphic,
October 31, 1906.

On the 21st November Mr. Barclay reported that the Persian Sir C. Spring-Rice,
No. 764,
November 21,
1906.

Commissioner had proposed the Kandil Dagh as frontier. This had been rejected by the Porte, as it would give Vazné and the command of the Vazné defile to Persia.

On the 29th November Sir C. Spring-Rice stated that the Sir C. Spring-Rice,
No. 353,
Telegraphic,
November 29,
1906.

Ottoman Government had proposed a joint Boundary Commission to meet at Mosul, but that the Persian Government were pressing for Soujboulak as nearer.

Conclusion.

It is difficult to establish with certainty how the present dispute originated. Vazné and Lahidjan have, as has been shown, been for some time the subject of contention. Although the Persian Customs Department, under M. Naus, may have been responsible for certain aggressions upon debatable land, the balance of evidence would tend to show that the personal ambition of local Ottoman officials was the primary cause of the occupation of Vazné and Lahidjan; while, in regard to the further encroachments of Ottoman troops, upon territory which can only be claimed as Turkish upon the discredited reports of Dervish Pasha, there is ample reason to believe that Ottoman statesmen are themselves aware how difficult it is to justify the attitude of Turkey.

But even in regard to the places within the frontier zone, the whole weight of tradition and of documentary proof goes to show that Persia and not Turkey is the aggrieved party.

Major Rawlinson, who visited Lahidjan in 1838 and who was Sir S. Canning,
No. 155,
July 18, 1844.

intimately acquainted with the frontier between Bussorah and Urumia, drew up a report for the Erzeroum Commission in 1844.

He wrote as follows:—

"The present general line of frontier from Banna to Lahidjan would appear to be correct (according to the Treaty of 1639) . . . but at the same time, owing to the restless habits of the Bilbass tribe who inhabit along the track in question, it would seem very desirable to establish fixed nomadic and geographical limits in Serdesht.

"The great Piran division of the tribe still continues, it is true, to reside in winter on the Lesser Zab, but the Mangish and Mamoor divisions are for the most part settled in Lahidjan, which is Persian territory, and pay, moreover, the revenues of their lands to the Mikri, proprietors of Soujboulak. . . .

"The boundary from the Kurtek Pass, which is the limit of Serdesht, proceeds north-westerly along the great range of Kandilan,* dividing Lahidjan from Balik, and then, crossing at right angles the shoulder which incloses Sulding to the south, reaches the Kel-i-Shin Pass of Ushni. The geographical distinction is most marked upon this part of the line, and, as the Mikris (Persian) also held Lahidjan at the time of Sultan Murad's Treaty (1639), while Balik was dependent on the Suhrau Chiefs of Rowanduz, there seems no reason to doubt the correctness of the present territorial distribution.

* I.e., the Kandil Dagh, now (1906) claimed by Persia as a frontier.

"From the Kel-i-Shin Pass the frontier is supposed to follow the culminating points of the great range, dividing Ushni from Rowanduz, *Mergawer from Kanerish.*"

This is an interesting statement, as the Porte have always contended that the boundary should be fixed on the basis of the Treaty of 1639.

Perhaps the strongest refutation of the present claims of Turkey is afforded by the map (see Appendix A) communicated to the Erzeroum Commission by the Ottoman Commission in December 1843. Two lines are drawn on this map, one shows the boundary claimed by Turkey, the other the then boundary of possession. Lahidjan (and *a fortiori* Vazné) lies well on the Persian side of both these lines.

In writing of the intrigues of Dervish Pasha in 1852, Colonel Williams gave his views as to the ownership of Lahidjan:—

Colonel Williams.
Ushni,
July 18, 1852 (see
Colonel Sheil's
despatch No. 94 of
August 10, 1852).

"Mirza Jaffer Khan (the Persian Commissioner) holds to the Article of the new Treaty of Erzeroum, by which, independent of the Provinces of Mohammerah, Zohab, and Suliemanieh, both parties bind themselves not to urge territorial claims, and common justice demands that, whilst the Persian Commissioner abstained from agitating the population of Suliemanieh, his Turkish colleague (Dervish Pasha) should pursue a similar course in Bana, Serdesht, *Lahidjan and all portions of the Shah's dominions within the status quo of the actual boundary,* until the mediating Commissioners lay their map and report before their respective Ministers at Constantinople and Tehran."

But in addition to these proofs there should still exist, in the archives of H.M. Embassy at Constantinople, the working maps of Sir Arnold Kemball, indicating in dotted pencil the intermediate line proposed by this officer and Colonel Zelenoi in 1876, after an exhaustive examination of all the available sources of information, including the testimony of Dervish Pasha, who was again the Ottoman Commissioner. This line would show the fairest boundary, and, in the event of a further appeal being made for the intervention of the mediating Powers, its adoption would obviate considerable expenditure and the necessity for much tedious negotiation.

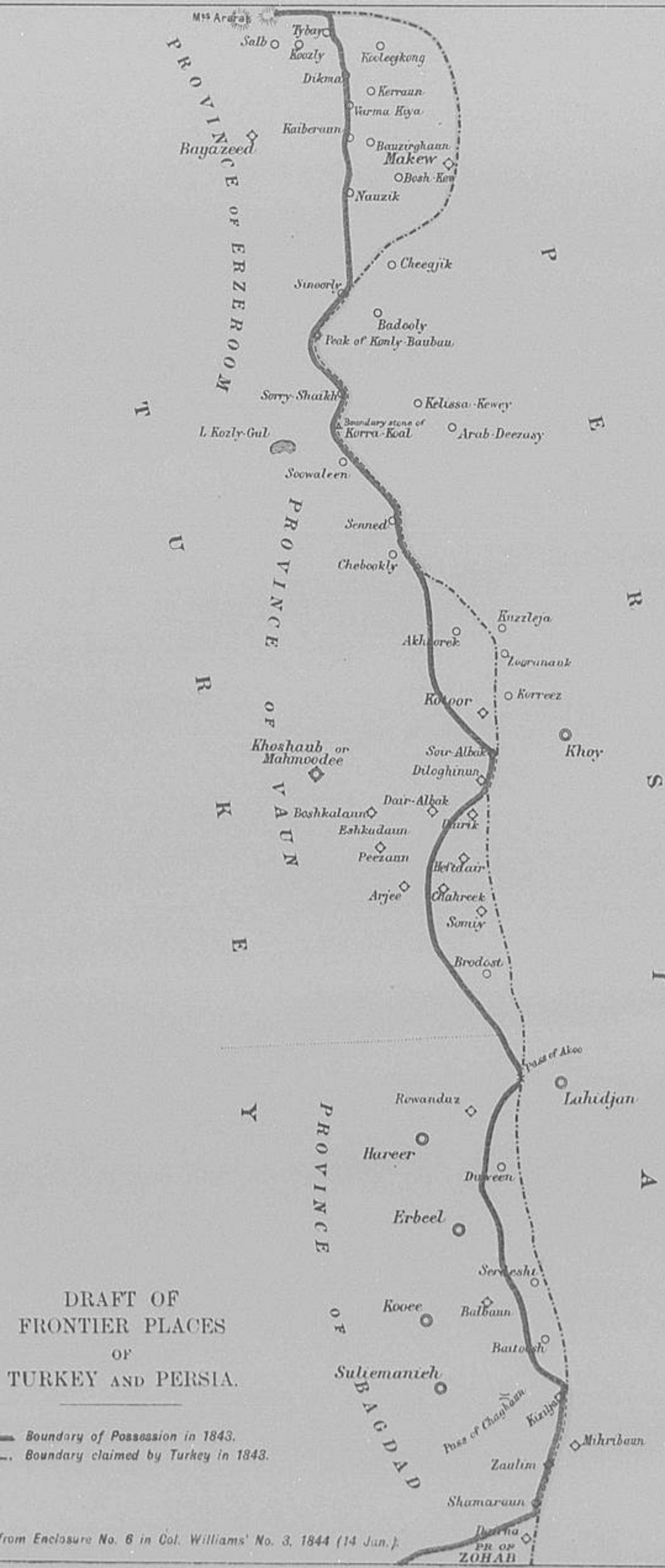
In any case, if it should again become necessary to appoint British and Russian Commissioners, it would appear highly desirable to establish beforehand such conditions of negotiation as will render possible a definite settlement of the dispute. As Sir Arnold Kemball only too truly pointed out in 1875—when his own appointment was under consideration—if this precaution were omitted, nothing but mischief must be apprehended, as before, from the revival of conflicting pretensions, followed by sterile discussions, tending indubitably to create excitement amongst the numerous tribes inhabiting the frontier regions.

(Signed)

ALWYN PARKER.

Foreign Office,
December 8, 1906.

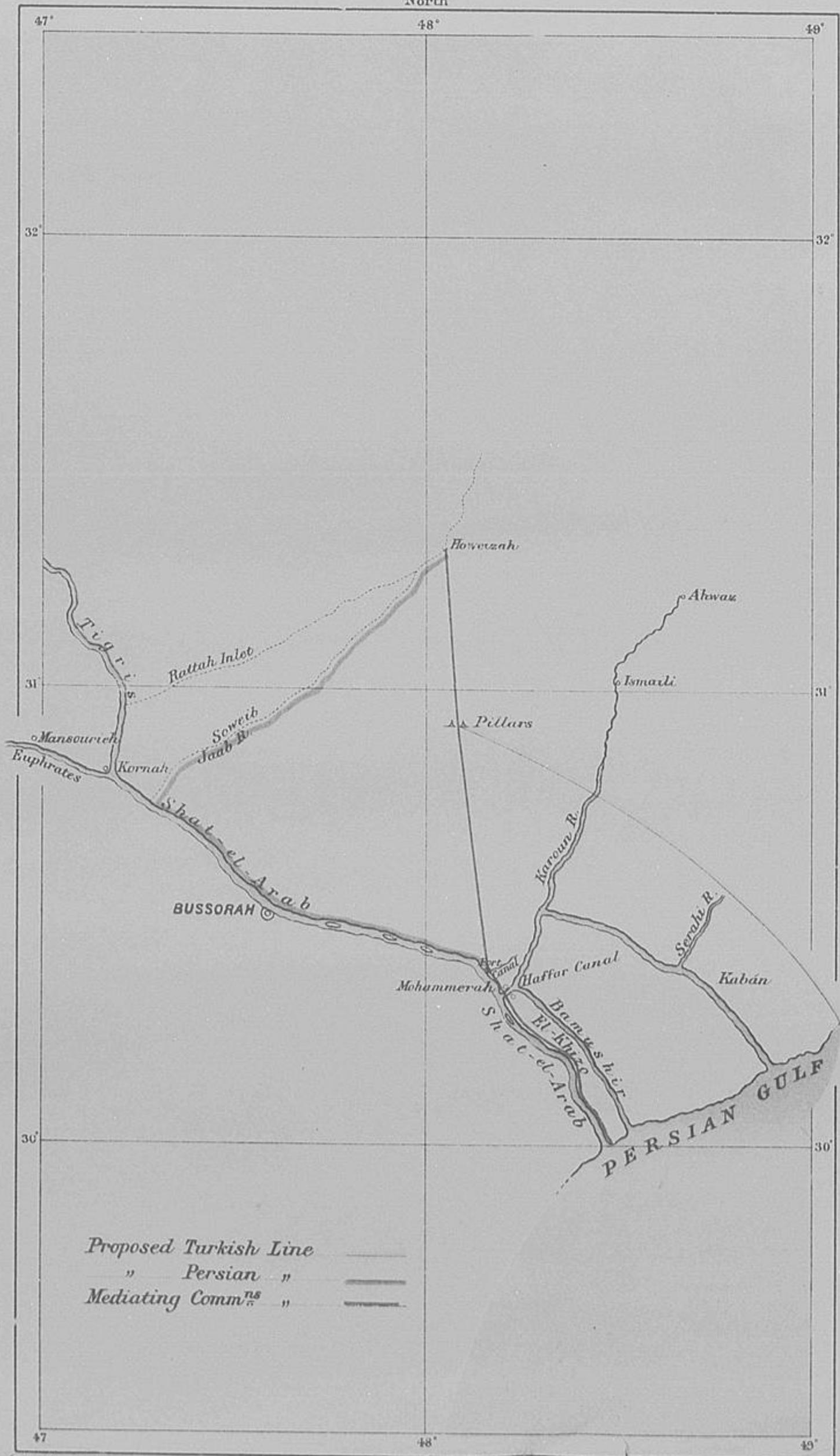
APPENDIX A.
MAP COMMUNICATED TO THE ERZEROUM COMMISSION BY THE OTTOMAN
COMMISSIONER IN 1843.



APPENDIX B.

MAP OF MOHAMMERAH AND DISTRICT PREPARED IN 1850.

North



APPENDIX C.

Sketch
OF THE
PROVINCE
OF
ZOMBIA.

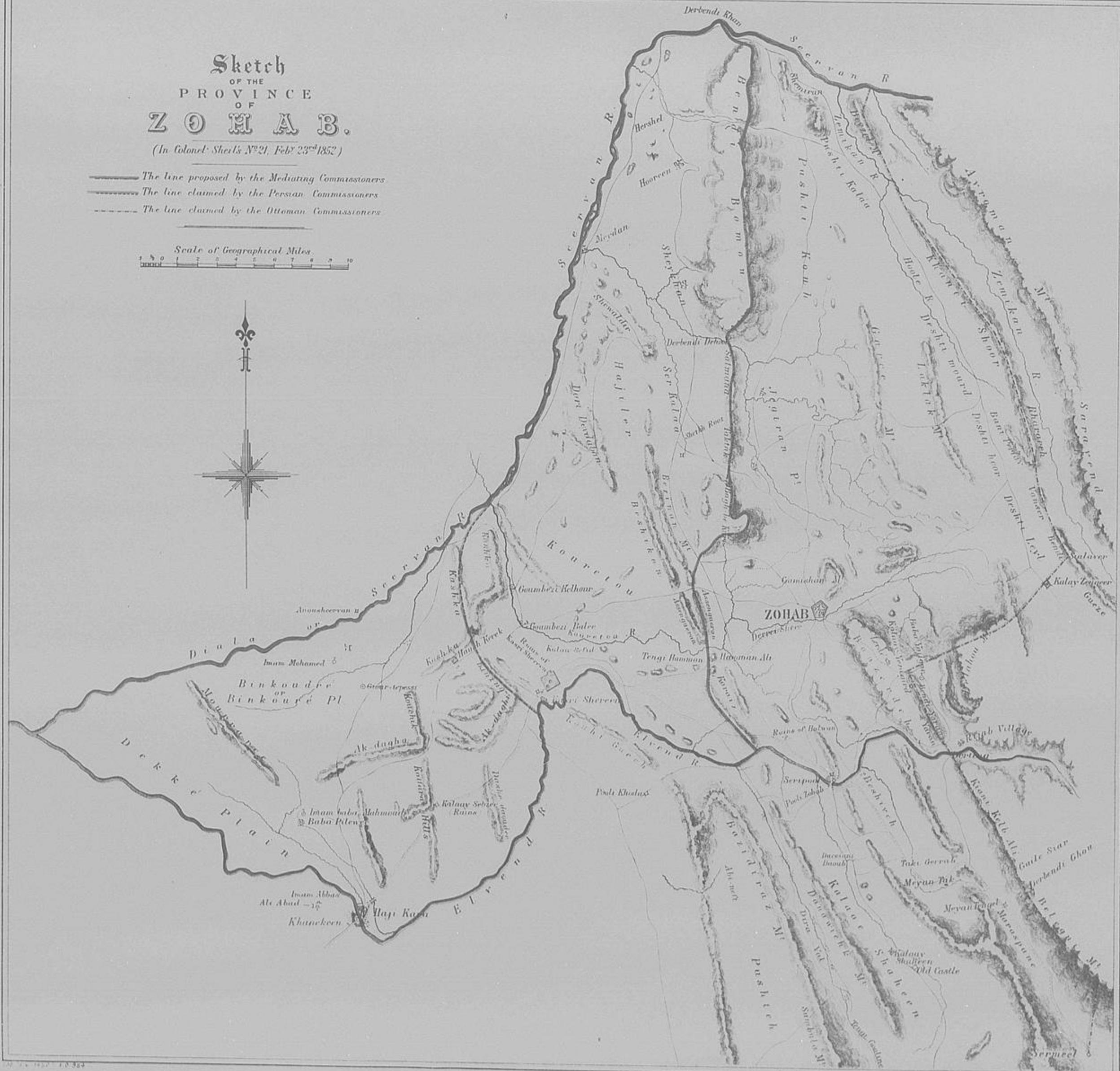
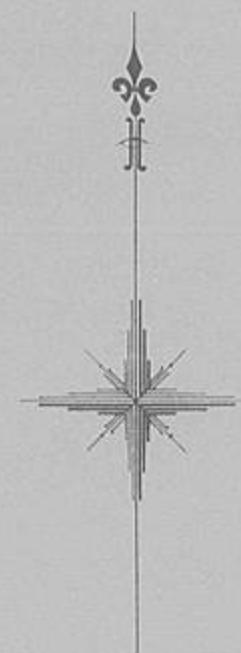
(In Colonel Shells N^o 21, Feby 23rd 1852.)

The line proposed by the Mediating Commissioners

The line claimed by the Persian Commissioner.

The line claimed by the Ottoman Commissioners.

A horizontal scale labeled "Scale of Geographical Miles" with numerical markings from 1 to 10. The scale is marked at integer intervals from 1 to 10. The label "Scale of Geographical Miles" is positioned above the scale line.



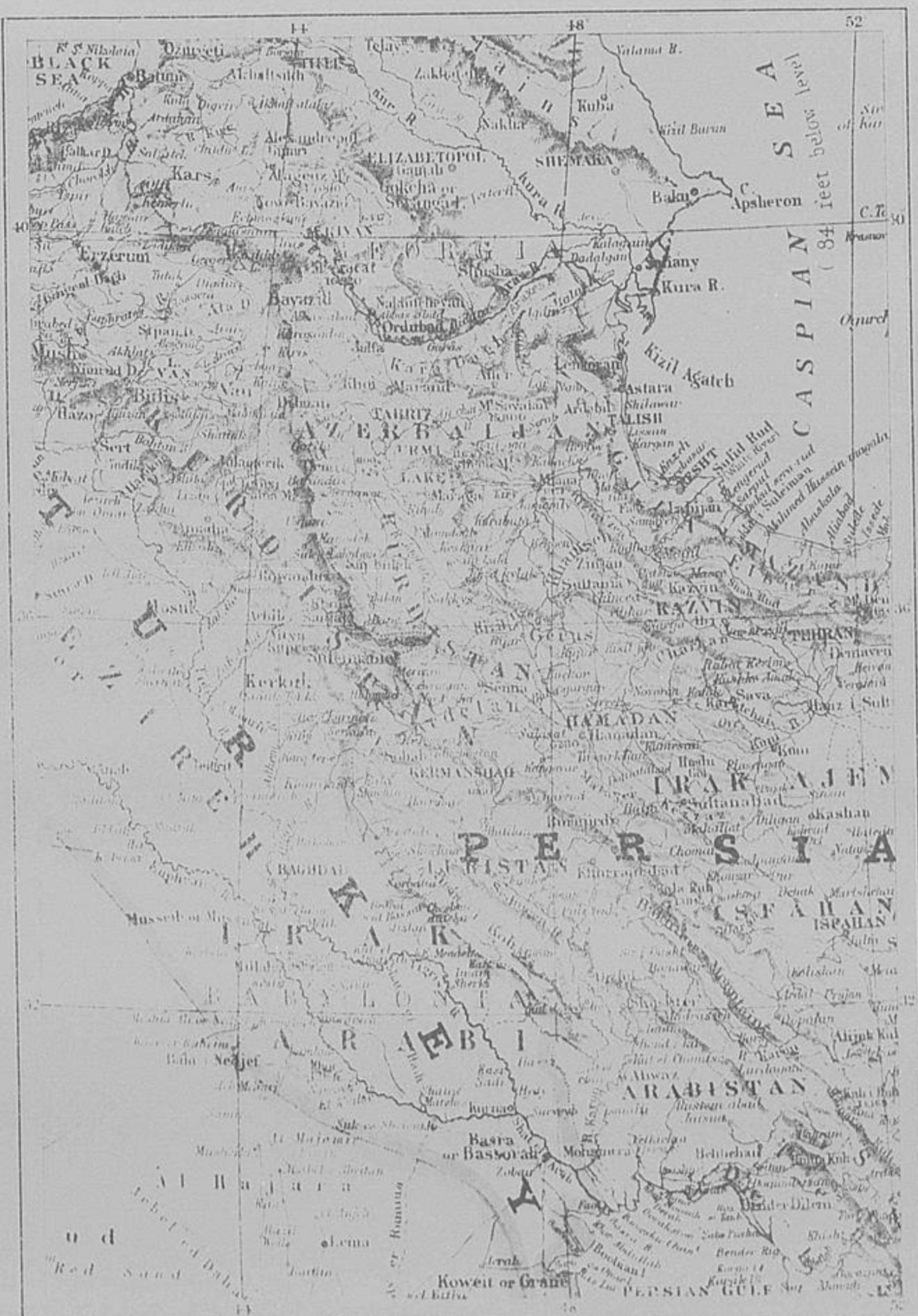
Appendix D.
MAP OF PART OF THE TURKO-PERSIAN FRONTIER.

Reduced from the Anglo-Russian "Identic Map" completed in 1869 (communicated to the Ottoman Government in 1869, and to the Persian Government in 1870).



APPENDIX E.

GENERAL MAP SHOWING APPROXIMATELY THE TURCO-PERSIAN FRONTIER



[41023]

No. 263.

Sir Edward Grey to Sir A. Nicolson.

(No. 450.)

(Telegraphic.) P.

JOINT advance.

Sir C. Spring-Rice's telegram No. 356 of the 6th December.

We share the views expressed in the above telegram, and you may inform the Russian Government accordingly.

Foreign Office, December 8, 1906.

[41259]

No. 264.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 9.)

(No. 358.)

(Telegraphic.) P.

*Tehran, December 9, 1906*THE Persian troops are being paid out of public subscription at the rate of about 1,000*l.* a-day. The Russian Minister shares my view that we had better take no action for the present.

The cossacks have been paid separately.

[41274]

No. 265.

Sir A. Nicolson to Sir Edward Grey.—(Received December 10.)

(No. 792.)

Sir,

*St. Petersburg, November 30, 1906.*I HAVE the honour to transmit herewith copy of an *aide-mémoire* which I have received from the Ministry for Foreign Affairs, making some further proposals for an arrangement of the difficulty in connection with the Meshed-Seistan telegraph line. I telegraphed the substance of this Memorandum in my telegram No. 303 of to-day's date.On the 28th instant M. Isvolsky had translated to me from the original Russian the six points mentioned in the *aide-mémoire*, and which I understood from him were based on some proposals which he had received from the Russian Minister at Tehran. M. Isvolsky premised his verbal communication to me by recurring to his former arguments that no modification had been made in the *status quo* by the transfer of the wires to Russian instruments; but I did not enter into a discussion with him, as I had already, as reported in my despatch No. 719 of the 19th November, given him our views on that point. I observe that he has prefaced the six proposals by arguments of a similar nature.I took occasion to tell M. Isvolsky that Sir Cecil Spring-Rice had received a report that M. Hartwig had applied for a Concession to work a cypress forest. I sincerely trusted that this was not the case, as it would be most unfortunate if a fresh modification of the *status quo* were to be introduced. M. Isvolsky said that he had heard of no such project, and would certainly keep an eye on the matter, as he fully concurred with me that no modification of the *status quo* should be attempted.

His Excellency asked me, after he had finished reading the paper, what was my opinion, and whether I thought that the proposals would be acceptable to my Government.

I told him I could only say that the proposals appeared to me to be a *pas en avant* towards an arrangement. He said he would send me a French translation in writing, and I could then communicate the proposals to my Government.As an exchange of the two lines appears to be unlikely, I venture to think that the present proposals are preferable to a return to the *status quo ante*, as they provide for the recall of the Russian Inspectors, and give us an opportunity of an alternative communication with Nasratabad by Kouhi-Malik-Siah. I will not recur to the question with M. Isvolsky until I am in possession of your views on this subject.

I have, &c.

(Signed) A. NICOLSON.

Inclosure in No. 265.

Aide-Mémoire.

A LA réception de l'aide-mémoire de l'Ambassade Britannique du 21 Octobre (3 Novembre), année courante, le Gouvernement Impérial, invariablement guidé par le désir d'arriver, dans la question des télégraphes de l'est de la Perse, à une solution équitable, et pouvant également satisfaire aux intérêts des deux parties, n'a pas manqué de soumettre cette affaire à une nouvelle étude.

L'examen minutieux de la question ne peut, néanmoins, que le confirmer dans son opinion première de ne pas voir d'infraction au *statu quo* dans le fait que la tête et la fin de ligne du télégraphe Méched-Nousratabad ont été inclus dans les appareils Russes. En effet, cette mesure découlait naturellement d'une entente antérieure entre la Russie et la Perse, dont la mise à exécution seulement avait été quelque peu retardée. Il semblerait, au contraire, que ce serait justement la révocation de ladite mesure qui constituerait une modification de l'ordre des choses établi et qui lèserait d'une manière sensible les intérêts Russes.

En conséquence, le Gouvernement Impérial croit pouvoir proposer actuellement au Gouvernement Britannique un projet d'entente qui lui semblerait de nature à garantir les intérêts des deux parties et qui lui paraît pouvoir former le terrain sur lequel on parviendrait à établir un accord définitif. Les points principaux qui serviraient de base pour cette entente seraient les suivants :—

1. Un deuxième fil sera ajouté à la ligne Méched-Nousratabad, et ses deux bouts seront inclus dans les appareils Anglais ;
2. Un autre fil, inclus dans les appareils Russes, sera ajouté à la ligne Téhéran-Méched ;
3. Les deux bouts du premier fil entre Méched et Nousratabad restent inclus dans les appareils Russes, ainsi que ceux du premier fil Téhéran-Méched dans les appareils Anglais ;
4. La Russie, qui a à sa charge la réparation de la ligne de Seistan, remplace au fur et à mesure les poteaux actuels par des poteaux en cyprès, plus solides et pouvant supporter le poids de deux fils ;
5. Les Inspecteurs Russes qui se trouvent actuellement sur la ligne de Seistan seront révoqués et remplacés par des goulams, ou agents subalternes Persans, dont le Gouvernement Impérial consentirait à prendre la solde à sa charge ;
6. Le Gouvernement Impérial ne trouverait pas d'obstacles à ce que le Gouvernement Anglais établisse entre Nousratabad et Kouhi-Mélik-Siah une ligne spéciale.

Saint-Pétersbourg, le 17 (30) Novembre, 1906.

[41278]

No. 266.

Sir A. Nicolson to Sir Edward Grey.—(Received December 10.)

(No. 796.)

Sir,

M. ISVOLSKY called on me to-day to inform me that the Minister of Finance had received a telegram from the Director of the Russian Bank at Tehran, stating that the Persian Prime Minister had expressed his willingness to sign the loan contract without having obtained the consent of the Assembly. M. Isvolsky said that it seemed to him that it would be desirable to obtain the opinions of the Russian and British Representatives as to whether it would be prudent to meet the wishes of the Prime Minister, and as to whether the refusal of the Assembly to sanction the loan could be ignored.

I told his Excellency that I was unaware what the precise functions and authority of the Assembly were in respect to loans, but that as its sanction had I understood been in the first instance solicited for the conclusion of the loan, it appeared to me that if we agreed with the Prime Minister in ignoring the opinions which the Assembly had expressed, we might cause some trouble in Persia. It was, however, a question on which it was clearly necessary to obtain the opinions of the Russian and British Representatives, who, being on the spot, could give valuable advice on the point.

I read to M. Isvolsky the substance of Sir C. Spring-Rice's telegram No. 348 of the 25th November, and said that it appeared that at that date the Prime Minister considered the consent of the Assembly as necessary. Possibly financial pressure had

induced him to change his opinion, but it was impossible to judge of the situation at this distance.

M. Isvolsky agreed with my observations, and said that he had heard nothing from M. Hartwig on the subject. So long as the Russian and British Governments continued to act in concert in regard to Persian affairs, he viewed occurrences in that country with calm. He would be glad to hear your views on the present question, and said that he had also telegraphed to Count Benckendorff.

I telegraphed the communication made to me by M. Isvolsky in my telegram No. 305 of this day's date.

I have, &c.
(Signed) A. NICOLSON.

[41283]

No. 267.

Sir A. Nicolson to Sir Edward Grey.—(Received December 10.)

(No. 801.)

Sir,

St. Petersburg, December 3, 1906.

I HAD the honour to receive your despatch No. 521 of the 27th ultimo by last week's messenger, transmitting the draft text of an Agreement in respect to Persia. I called on M. Isvolsky this afternoon, and I reminded his Excellency that some few weeks ago he had intimated to me the difficulties in his mind as to the mode in which it would be possible to reduce to a written form the views which we had interchanged in regard to an arrangement concerning our respective interests in Persia, without causing anxiety to the Persian Government and without disquieting other Governments who might have some commercial interests in that country. I had, I said, received from you the outline of a draft Agreement on the subject of Persia, which I begged leave to hand to him, and which I should be glad if he would treat as confidential, and which, I thought, would remove the doubts which he had formerly expressed. I added that the document was not drawn up in Treaty phraseology, nor was it to be considered as a draft Convention; it was merely an *aide-mémoire* of the views which we had interchanged presented in a convenient form.

M. Isvolsky read the document, and observed that he did not presume that I required an answer offhand. He added that even as drawn up others might regard it as a division ("partage") of Persia into spheres of influence.

I replied that I did not view it in that light; the document specified our respective spheres of interest, though the Russian sphere had to be left blank, and he would observe that in the preamble the principle of the open door had been duly recognized. I could not myself see how any objection could be raised in any quarter to the terms, tenour, or objects of the document.

His Excellency said he would be glad if I would leave the paper with him to study carefully.

I have, &c.
(Signed) A. NICOLSON.

[41285]

No. 268.

Sir A. Nicolson to Sir Edward Grey.—(Received December 10.)

(No. 803.)

Sir,

St. Petersburg, December 4, 1906.

THE German Ambassador asked me to-day whether M. Isvolsky had mentioned anything to me in regard to his recent visit to Berlin. I told M. von Schoen that M. Isvolsky had expressed great satisfaction at finding that the German Government viewed with a friendly eye the discussions which were proceeding between the British and Russian Governments for the purpose of removing all causes of friction between the two countries in Persia and Central Asia, and that he had been pleased to ascertain that the only interests as to which the German Government were concerned were the Bagdad Railway, which lay outside of the Persian question, and the maintenance of the open door for commercial intercourse. This satisfaction on the part of his Excellency had been confirmed by the speech of Prince Bülow in the Reichstag.

M. von Schoen again confirmed what he had said to me on a previous occasion, and which I had the honour to report in my despatch No. 738, Confidential, of the 5th ultimo, and added that M. Isvolsky had inquired whether, in the future, the German Government

would have any objection to Russia obtaining concessions for railways in the north of Persia. His Excellency had been informed that no objection would be raised to such concessions, as Germany had no desire to embark on such enterprises in Persia. M. von Schoen observed that he doubted if Russia would for a long time to come be in a position to take advantage of any concessions she might obtain, as she was exceedingly slow to move in those directions. If Russia would construct a railway which would eventually be linked on to the Bagdad Railway, so much the better for all parties.

I remarked that I believed that in some Russian quarters there was no great desire to facilitate inter-communications which might lead to foreign trade competing with the practical monopoly Russian commerce enjoyed in the north of Persia; and that this fear had caused her to hesitate at one time to welcome the project of the Bagdad Railway.

M. von Schoen said that it was true that such views had been held in Russia in regard to the Bagdad Railway, but that a change had now come over Russian public opinion. The moment had not yet arrived for the German Government to approach those of France, Great Britain, and Russia, as to a participation in the Bagdad Railway, or perhaps it would be more correct to say for financial groups in the several countries to commence negotiations on the subject. The question was not yet quite ripe for such discussions.

M. von Schoen said, further, that as regards a German Bank in Persia, he could tell me that the Persian Government, when in urgent need of money and when they were not meeting with a ready response from the British and Russian Governments, had approached the German Chargé d'Affaires and had suggested that a German Bank should be established in Tehran which would effect loans and other financial transactions. The Chargé d'Affaires, anxious to play a part, had accepted this suggestion, and had asked the German Government to inquire if any German Bank would be willing to establish a banking institution in Tehran. Several Banks had refused to entertain the proposal, but one Bank—M. von Schoen did not mention the name—which had branches at Constantinople and Beyrouth, had expressed its readiness to inquire into the matter, and was sending an agent to Persia who should arrive there next month. M. von Schoen did not think that the Bank would establish a branch at Tehran, probably at some other place in Persia, but in any case, the branch would have nothing to do with loans or concessions, but confine itself to strictly commercial affairs.

I have, &c.
(Signed) A. NICOLSON.

[41364] No. 269.

Mr. G. Barclay to Sir Edward Grey.—(Received December 10.)

(No. 785.)
Sir,

WITH reference to Sir C. Spring-Rice's telegram of the 29th ultimo on the subject of the Turco-Persian Frontier Commission, I am informed by the Minister for Foreign Affairs that Persia has consented to the Commission's sitting during the winter at Mosul.

I also learn from Tewfik Pasha that Persia has proposed that the Commission should not confine its labours to settling the frontier dispute in the Pasova district, but should delimitate the whole frontier line between the two countries. This proposal has been accepted by the Porte.

I have, &c.
(Signed) G. BARCLAY.

[41659]

No. 270.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 11.)

(No. 359.)

(Telegraphic.) P.

Tehran, December 11, 1906.

YOUR telegram No. 155 of the 26th September.

Seistan disturbances.

Am I to insist on our original demands?

Persian Government have notified their willingness to pay compensation and send the Deputy Governor, accompanied by the Mustaufi, to apologize. They profess their inability to expel Mullah, and object to promising land on the plea that other Governments would make similar demands. If necessary, however, they would sell land to Consulate.

[41749]

No. 271.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 12.)

(No. 360.)

(Telegraphic.) P.

Tehran, December 12, 1906.

RUSSIA has supplied the Valiahd with arms and ammunition and money. It is believed that his Imperial Highness is being accompanied to Tehran by a Russian Cossack officer, though I cannot yet be certain that this report is true.

[41762]

No. 272.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 12.)

(No. 361.)

(Telegraphic.) P.

Tehran, December 12, 1906.

THE Shah's symptoms are now complicated by inflammation of the heart. Yesterday the Valiahd was at Zenjan, accompanied by 1,000 infantry, some artillery, and 2,000 cavalry.

The collection for the new National Bank now amounts to about 60,000*l.*, and, under the direction of the members of the Assembly, about 3,000*l.* have been distributed to the troops, chiefly to the artillery.

The Constitution is still unsigned, and will probably remain so pending the Valiahd's arrival.

[41750]

No. 273.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 12.)

(No. 362.)

(Telegraphic.) P.

Tehran, December 12, 1906.

ANGLO-RUSSIAN advance.

It is stated by the Manager of the Imperial Bank that the internal loan only consists of promises on paper, and that the Persian Government will be forced to accept an advance from abroad. Popular opposition to a foreign advance, however, has in no way diminished.

In case of absolute necessity a small sum is held in reserve by the Persian Government.

[42026]

No. 274.

Sir Edward Grey to Sir H Howard.

(No. 79.)

Sir.

THE Netherland Minister came to-day to ask me my opinion on the subject of irrigation in the Karun district of Ahwaz.

He said that the Persian Government had requested a Dutch engineer, who had been some years in their employment, to make a report on the old system of irrigation which had existed in the days of Susa and Nineveh, but had now fallen into disrepair. The upshot of the report had been that there was a great deal of good land which was now wasted, and that the whole system of irrigation might be restored and the land fertilized.

But this district lay within what the Dutch Minister described as the "British sphere of influence." And though the Persian Government were willing to give a Concession, the Minister repeatedly assured me that it was absolutely impossible to secure such a Concession unless the British Government would give their consent, and everything depended upon us.

He said very emphatically that the scheme was purely commercial, and had no political tendency whatever. The Director would be Dutch, but the capital of 1 million would be international, and it was hoped that some of it would be British. The French and Russian Governments had already been approached, and had declared that they had no objection to such a scheme.

I asked whether any other Government besides the French and Russian had been approached.

The Netherland Minister said no other Government had been approached, because the matter depended entirely upon us, as the land was within our "sphere of influence." It would be possible for the irrigation to be undertaken by an Anglo-Dutch Company. Another suggestion was that the necessary money should be supplied by the Persian Government themselves. But the Minister seemed to be aware that the Persian Government had no money at present. It would be expected that a certain number of the orders for dredgers and so forth should be placed with Dutch manufacturers, but the orders would be shared by us or by other countries.

The Dutch Minister also told me that Messrs. Lynch had been apprehensive that the scheme would draw away water from the Karun and interfere with the navigation in summer, but the Dutch engineer had made calculations which proved that this would not be the case; and the Minister was not sure that Messrs. Lynch still entertained any apprehensions. They would, of course, gain by carrying the material for the works and by the increased trade which would follow the development of the district by irrigation.

I replied that we had always been favourable to the "open door" for commerce in Persia, as elsewhere, but our policy had been to maintain the independence and integrity of Persia, and in the present disturbed state of that country it sometimes turned out that what appeared at first a purely commercial undertaking required foreign protection, and led to a danger of political interference which might be prejudicial to Persian independence. All I could do for the moment was to promise to make a note of what he had told me, and to consult the Indian Government, who were naturally concerned with developments in Southern Persia, and who, I fancied, already had some independent information on the subject of irrigation.

I promised to do this and to let him have a reply later on.

I am, &c.
(Signed) E. GREY.

[41888]

No. 275.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 13.)

(No. 364.)

(Telegraphic.) P.

I AM informed by the doctor that the Shah can scarcely be expected to live till to-morrow.

[42074]

No. 276.

Sir A. Nicolson to Sir Edward Grey.—(Received December 15.)

(No. 307.)

(Telegraphic.) P.

St. Petersburg, December 15, 1906.

MINISTER for Foreign Affairs has addressed a private letter to me to the effect that the Russian Government agree with your view as to the publicity of the advance, and as to the Persian Government bearing the responsibility, and that until an arrangement has been come to between the Assembly and the Persian Government it is preferable not to press the matter; but even if Prime Minister should not succeed in overcoming the opposition of the Assembly, they see no objection to advancing the money to the former on a formal demand from him.

It is also thought desirable by the Russian Government that the Heir Apparent should be informed of the loan question by the Representatives of the two Powers.

Russian Minister has been instructed in the above sense, and Minister for Foreign Affairs expressed the wish that the British Representative might be similarly instructed.

[41659]

No. 277.

Foreign Office to India Office.

Sir,

I AM directed by Secretary Sir Edward Grey to transmit to you herewith decypher of a telegram from His Majesty's Minister at Tehran,² inquiring whether he is to insist on compliance with the conditions originally laid down by His Majesty's Government as acceptable by way of satisfaction for the attacks made on His Majesty's Consulate in Seistan in March and July last, in view of the objections raised by the Persian Government to the second and fourth of those demands.

I am to observe that, owing to the weakness of the Persian Government themselves, and of the local authorities in Seistan, any attempt to expel the Mollahs (a proceeding always difficult and dangerous in Persia) is very unlikely to be effective, and would in any case most probably lead to a renewal of disturbances, while so long a time has elapsed since the occurrence of the incidents complained of, that no great local effect can now be expected, even if the demands originally put forward are successfully insisted upon.

I am accordingly to suggest, for the consideration of Mr. Secretary Morley, that instructions should be sent to Sir C. Spring-Rice no longer to insist on the expulsion of the four ringleaders in the attacks or on the free grant of land for the extension of the Consular hospital, on condition that the other two demands are immediately complied with, and the necessary land for the hospital sold to His Majesty's Consulate at a nominal price.

I am, &c.
(Signed) E. GORST.

[42303]

No. 278.

India Office to Foreign Office.—(Received December 17.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Mr. Secretary Morley, forwards herewith, with reference to the letter from the India Office of the 8th instant, for the information of the Secretary of State, a paraphrase of a telegram from the Viceroy, dated the 15th instant, relative to the Meshed-Seistan telegraph line.

India Office, December 17, 1906.

[1682]

* No. 270.

3 H

Inclosure in No. 278.

Government of India to Mr. Morley.

(Telegraphic.) P.

MESHED-SEISTAN line. Please see your telegram of the 7th instant.

Apart from objections arising from inevitable extension of Russian influence as far south as Nasratabad, an influence which, if she secures monopoly of cypress forests, would be extended and strengthened, our objections are hardly met by Russian assurance that no obstacles would be raised by her to our establishing a special line from Nasratabad to Koh-i-Malik Siah, since concession from Persian Government would not necessarily be secured to us by such negative support as she is apparently prepared to give. Please refer to telegram dated the 26th ultimo from His Majesty's Minister at Tehran. Moreover, on the demise of the present Shah we ought, perhaps, to secure this concession in any case, as his successor would not presumably be bound by the informal pledge, which His Majesty is said to have given, that he would not permit our lines to be joined with the Seistan line. We gather, however, that His Majesty's Government are not prepared to press for any of the three courses suggested in my telegram of the 7th September, and, failing them, we consider that, if Russia undertakes to give active support in obtaining above concession forthwith, M. Isvolsky's proposals might be accepted, though only as a *modus vivendi* pending general settlement of our mutual relations in regard to Persia, in accordance with his first suggestion.

But it seems desirable that a satisfactory understanding on the three following points should, as a preliminary measure, be arrived at:—

1. Disposal of revenue derived from messages sent between Meshed and Seistan by British wire. This point is of considerable importance commercially, in view of probability that line may eventually become part of through line of communication between Europe and India.

2. Stipulation should, in our opinion, be made for equal extension to our employés, in respect of the wire reserved for us, of any facilities to inspect and repair Meshed-Seistan line which are given to Russian telegraphists or Persians paid by Russia. Our wire would never be in working order unless this is done.

3. If, as Consul-General at Meshed reports, it is impossible under present conditions to place second wire on Meshed-Seistan lines, we would urge that existing poles should be replaced, not gradually as is proposed, but immediately, by stronger poles.

Particulars will be sent on receipt as to number of messages passing over line.

[42353]

No. 279.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 17.)

(No. 365.)

(Telegraphic.) P.

THE Shah still lives, and yesterday was better. Last night the Valiahd arrived in Tehran, accompanied by a Russian Cossack officer.

The Shoa-es-Saltaneh has sent to say that he wishes to take "bast" in His Majesty's Legation, but I am doing my utmost to dissuade him from taking such a step.

[42074]

No. 280.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 213.)

(Telegraphic.) P.

ADVANCE.

Please telegraph your opinion as to the Russian Government's proposal, reported in telegram No. 307 of the 15th instant from St. Petersburg.

Foreign Office, December 17, 1906.

[42074]

No. 281.

Foreign Office to India Officer.

Foreign Office, December 17, 1906.

Sir,

I AM directed by Secretary Sir E. Grey to transmit to you herewith decypher of a telegram from His Majesty's Ambassador at St. Petersburg,* stating that, in the opinion of the Russian Government, there is no objection to furnishing the proposed joint advance to the Persian Government on the formal demand of the Persian Prime Minister, even without the consent of the Persian Assembly, and that it would be well if the Representatives of the two Powers at Tehran were to bring this question to the knowledge of the Persian Heir Apparent.

It will be observed that the Russian Government have already sent instructions in this sense to their Minister at Tehran, and are desirous that similar instructions should be sent to His Majesty's Minister, but, before taking any steps in this direction, Sir E. Grey would be glad to learn whether there is, in the opinion of Mr. Secretary Morley, any objection to compliance with their wish.

I am to add that this telegram has been repeated to Sir C. Spring-Rice, who has been requested to furnish an expression of his views on the proposal of the Russian Government.

I am, &c.
(Signed) E. GORST.

[42369]

No. 282.

Sir F. Bertie to Sir Edward Grey.—(Received December 18.)

(No. 514. Confidential.)

Sir,

Paris, December 16, 1906.

PRINCE MALCOM KHAN, who is now Persian Minister at Rome, came to see me yesterday. It will be in the recollection of the Foreign Office that on the occasion of a visit to London of the late Shah, when Prince Malcom Khan was Persian Minister there, he obtained from His Majesty a Lottery Concession which he sold to a British Syndicate for the sum of 40,000*l.*, and that, when in consequence of the Syndicate being warned of the illegality of issuing a prospectus of the Concession transferred to them by Malcom Khan they sought to recover from him the purchase price, he successfully sheltered himself behind his diplomatic privileges from their proceedings before the English Courts.

Malcom Khan must now be of a great age, for he concluded the Treaty of Peace of 1857 between Persia and England, and he does not express his views very clearly.

The object of his visit to me was, he said, to tell me, and through me His Majesty's Government, that Persia is in a moribund condition, but can be saved by them.

According to Malcom Khan, almost all the Persian statesmen were his pupils, and he admits that some of them do him no credit. There is, however, he says, one Persian who could regenerate Persia, viz., the Atabeg, and he is at the present moment in Paris, and ready to enter into communication with His Majesty's Government on the needs of his country.

Malcom Khan says that there is distrust in Persia both of England and of Russia, on account of their being suspected of territorial designs, but that there is no suspicion in regard to France; that what is required to save Persia is money to construct public works of utility, and he suggests that if His Majesty's Government would work through the French Government, a combination might be formed with Russia to find money to be expended under proper guarantees that it would be applied to the objects for which it might be destined.

Malcom Khan stated that Persian affairs had within the last few years received much attention at Berlin, that it was only recently that Germany had become a factor in Persia, but that the German Emperor now exercised considerable influence at the Court of the Shah.

The Prince is about to return to his duties at Rome. It is at his urgent request that I have the honour to report to you what he said to me.

I have, &c.
(Signed) FRANCIS BERTIE.

No. 283.

[42443]

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 18.)

(No. 366.)

(Telegraphic.) P.

Tehran, December 18, 1906.
I AM informed by the doctor that there is an improvement in the Shah's condition, and that he may still be alive a week hence.

[42460]

No. 284.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 18.)

(No. 367.)

(Telegraphic.) P.

Tehran, December 18, 1906.

TELEGRAM No. 307 from St. Petersburg of the 15th December:

1. No further mention has been made by the Sadr-i-Azam of the subject of the advance.

We have made our offer, and if the Persian Government require money it is for the Sadr-i-Azam to accept it or refuse it publicly on his own responsibility, and under the conditions laid down by us. We have refused to make the advance secretly, and if popular opposition is strong, the Sadr-i-Azam cannot accept it publicly. The recognized organ of the Persian Government is the only person with whom we can deal. To deal with any one else would mean mixing ourselves up in internal politics, a course which we wish to avoid.

2. With regard to the question of our informing the Valiahd, the Assembly has to-day sent a deputation to his Highness to discuss questions of finance and the Constitution, and he himself has publicly professed his respect for that body. It would be unwise for us, under these circumstances, to act in any way which might lay us open to the charge of pressing an unpopular loan on the Valiahd's acceptance, or of taking sides.

Since we made the offer of the advance the attitude of both Legations has been one of abstention and observation. Both parties, I believe, have appreciated this attitude, and I think we should maintain it.

(Confidential.)

It is likely enough that if we attempt to induce the Government to accept our advance, a strong feeling will be aroused in the popular party against England and Russia, and they may, if absolutely driven to seek financial assistance from abroad, apply for it in some other quarter.

[42555]

No. 285.

India Office to Foreign Office.—(Received December 19.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Mr. Secretary Morley, forwards herewith, for the information of the Secretary of State, a paraphrase of a telegram from the Viceroy, dated to-day, relative to the Meshed-Seistan telegraph line.

India Office, December 19, 1906.

Inclosure in No. 285.

Government of India to Mr. Morley.

(Telegraphic.) P.

MY telegram dated the 15th instant. Following is reported by Seistan Consul as to approximate average number of telegrams passing monthly on Meshed-Seistan telegraph lines: Sent to and received from Persian stations, 46 and 30 respectively; sent to and received from Indian stations, 37 and 31 respectively. Private telegrams, of which no record is kept in Seistan, though there are a fair number, are not included in these figures.

No. 286.

[42577]

Sir A. Nicolson to Sir Edward Grey.—(Received December 19.)

(No. 311.)

(Telegraphic.) P.

St. Petersburg, December 19, 1906.

WITH reference to my telegram No. 307, respecting the joint loan to Persia, although the Minister for Foreign Affairs considered that it was understood that the British and Russian Representatives at Tehran should take no step independently of one another, he at my suggestion instructed the Russian Minister, by means of a second telegram, to act strictly in harmony with Sir C. Spring-Rice, as I was afraid lest, whilst the latter was awaiting the communication of your views, the Russian Minister might proceed to carry out his instructions.

Minister for Foreign Affairs was much pleased when I told him how highly Sir C. Spring-Rice appreciated the loyalty and friendly attitude of the Russian Minister.

I also told him that as the Valiahd was in relations with the Assembly, Sir C. Spring-Rice considered it better that nothing should be volunteered to him on the question of the loan.

[42569]

No. 287.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 19.)

(No. 368.)

(Telegraphic.) P.

Tehran, December 19, 1906.

I HAD consulted with my Russian colleague before sending my immediately preceding telegram.

The instructions sent to him probably emanated from the Finance Department and were inspired by M. Grube, who is not in favour of joint Anglo-Russian action.

It might be pointed out, in order to preserve harmony—

1. That the Sadr-i-Azam has not yet made a formal demand, but that when he does so the question of granting it may be considered on its merits;
2. That it is obviously inopportune to make an immediate communication to the Valiahd;
3. That our attitude of reserve has been approved by the Russian Government (see St. Petersburg telegram No. 292), and that it has so far been successful that no trace of anti-foreign movement has as yet made its appearance.

In order to prevent the popular party from appealing to this Legation, the only course for me to adopt is to insist that both England and Russia have made up their minds to abstain from all interference in internal politics.

[42658]

No. 288.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 20.)

(No. 369.)

(Telegraphic.) P.

Tehran, December 20, 1906.

THE German Legation, I have reason to believe, received on the 18th instant a long despatch in cypher relating to an Agreement about Persia between Germany and Russia.

[42557]

No. 289.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 19.)

(No. 370.)

(Telegraphic.) P.

Tehran, December 19, 1906.

THE Russian Legation are preparing accommodation for from fifteen to twenty Russian Cossacks. My information is derived from the European architect employed on the work.

[42569] No. 290.

Sir Edward Grey to Sir C. Spring-Rice.

(No. 214.) (Telegraphic.) P. Foreign Office, December 20, 1906.
 YOUR telegrams Nos. 367 and 368: Joint advance.
 Russian Government have been informed that we concur generally in your views.

[42569] No. 291.

Sir Edward Grey to Sir A. Nicolson.

(No. 457.) (Telegraphic.) P. Foreign Office, December 20, 1906.
 SIR C. SPRING-RICE'S telegrams Nos. 367 and 368: Joint advance.
 You may inform the Russian Government that we concur generally in the views expressed in the above telegrams.

[42460] No. 292.

Foreign Office to India Office.

Sir, Foreign Office, December 20, 1906.
 WITH reference to my letter of the 17th instant relative to the proposed Anglo-Russian advance to the Persian Government, I am directed by Secretary Sir Edward Grey to transmit to you herewith decypher of a telegram from His Majesty's Minister at Tehran, containing his observations on the proposals of the Russian Minister for Foreign Affairs that the advance should be made on the formal demand of the Persian Prime Minister even without the consent of the Assembly, and that the question should be brought to the knowledge of the Heir-Apparent.

Sir E. Grey would be glad to learn Mr. Secretary Morley's views on the considerations put forward by Sir C. Spring-Rice, which appear to be sound.

I am, &c.
 (Signed) E. GORST.

P.S.—I am also to transmit to you decypher of a further telegram on the same subject which has just been received from Sir C. Spring-Rice.†

[42751] No. 293.

India Office to Foreign Office. (Received December 21.)

Sir, India Office, December 20, 1906.
 I AM directed to acknowledge the receipt of Sir E. Gorst's letters of the 17th and 20th instant as to the proposed Anglo-Russian loan to the Persian Government, and to inform you, in reply, that Mr. Secretary Morley concurs in the opinion of the Secretary of State for Foreign Affairs as to the soundness of the views expressed by His Majesty's Minister at Tehran on the proposal of the Russian Minister for Foreign Affairs that the advance should be made on the formal demand of the Persian Prime Minister even without the consent of the Assembly, and that the question should be brought to the knowledge of the Heir Apparent.

I am, &c.
 (Signed) A. GODLEY.

[42916]

No. 294.

Sir A. Nicolson to Sir E. Grey. (Received December 22.)

(No. 312.) (Telegraphic.) P. St. Petersburg, December 22, 1906.
 RUMOURED Russo-German arrangement concerning Persia. Sir C. Spring-Rice's telegram No. 369 of the 20th instant.
 If further details or some confirmation of this report are forthcoming, I will make cautious inquiries here, but I feel convinced that M. Isvolsky would not conclude any such arrangement without informing us.

[42915]

No. 295.

Sir C. Spring-Rice to Sir Edward Grey. (Received December 22.)

(No. 373.) (Telegraphic.) P. Tehran, December 22, 1906.
 SIR A. NICOLSON'S telegram No. 311. Persian advance.
 Yesterday the Russian Minister told me that he had not acted on his instructions, though he had not yet received a reply to his telegram. He has pointed out that the giving of advice on political questions does not fall within the competency of the Financial Agent. He is against our taking the initiative in the matter of the advance, though he thinks the Persian Government will soon be obliged to apply for it.

Foreign Representatives have been received separately by the Valiahd. In my audience I avoided politics. The Assembly has sent a friendly message to the Valiahd, who is in communication with him. On His Highness' authority it was announced yesterday in mosques that he was well disposed to the Constitution.

I have been told by the Sadr Azam that if there is strong popular objection he will not at present take the dangerous responsibility of asking for the advance on the terms offered.

The Russian Bank has already advanced to the Valiahd a sum of 35,000*l.* for pay of troops and salaries, and has paid up the arrears due to the Cossack Brigade.

The day before yesterday the Russian Financial Agent, on his own initiative, had an audience of the Valiahd.

[42921]

No. 296.

Sir A. Nicolson to Sir Edward Grey. (Received December 23.)

(No. 313.) (Telegraphic.) P. St. Petersburg, December 23, 1906.
 YOUR telegram No. 457 of the 20th instant.
 I am informed by Minister for Foreign Affairs that telegraphic instructions have been sent to Russian Representative at Tehran to continue to co-operate with British Representative, and not to approach Valiahd on subject of the loan.

[42949]

No. 297.

Sir C. Spring-Rice to Sir Edward Grey. (Received December 23.)

(No. 374.) (Telegraphic.) P. Tehran, December 23, 1906.
 MESHED-SEISTAN line.
 The Indo-European Telegraph Department's Inspector, who has just arrived in Tehran from Meshed, reports that no trees fit for telegraph poles are to be found south of Birjand. Near Sarakhs there are juniper woods, and near Khaf there are fir plantations, which serve to protect cultivation from the prevailing winds. Popular discontent would be caused by the removal of the latter.

Once a year a Russian officer inspects the line, which is maintained by Persian gholams. One wire is sufficient to carry all the traffic. Communication can be cut

off at either end or at the intermediate stations by the Russians, though, owing to their conciliatory behaviour, there is no friction at present.

Work on the Meshed-Tehran line is also carried on without a hitch. The Tehran-Shahrud section is constantly used by the Russian Legation for their through messages to St. Petersburg, which are dispatched via Astarabad and the Caspian.

[42922] No. 298.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 23.)

(No. 375.)
(Telegraphic.) P.

Tehran, December 23, 1906.

I AM informed by the Government of India that they are issuing orders for the dispatch of ten sowars to Seistan as a permanent increase of the Consul's escort.

I have replied, in view of our negotiations with Russia, that I presume that they have consulted the Home Government.

[42971] No. 299.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 24.)

(No. 286.)
Sir,

Tehran, November 10, 1906.

I HAVE the honour to inform you that I have received an official notification to the effect that the Mohtashem-es-Sultaneh has been appointed Persian Minister in London.

I stated to the Minister for Foreign Affairs that I presumed that the Persian Chargé d'Affaires in London, according to the usual procedure, would take the customary steps in London in order to ascertain whether this appointment was agreeable to the King.

The Mohtashem, who is popular, agreeable, and cultivated, and speaks French, German, and a little English, was educated in the Tehran University, was Secretary to the Persian Legation at Berlin, Consul-General at Bombay, and on his return to Persia in 1896 first Under-Secretary to the Foreign Office, in which capacity he was favourably known to this Legation. He accompanied the Shah to Europe in 1905.

I have, &c.
(Signed) CECIL SPRING-RICE.

[42972] No. 300.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 24.)

(No. 288.)
Sir,

Tehran, December 3, 1906.

WITH reference to my despatch No. 271 of the 22nd October last relative to Messrs. Lynch's suggestions for the encouragement of British trade in Persia, I have the honour to inclose herewith a Statement of the accounts of the Russian Enzelli-Tehran Road Company up to the end of 1905, which has been published in the "Tehran Gazette."

From this Statement it appears that the share capital amounted to 1,197,339*l.*, and the net profits to 3,115*l.* The cost of the construction of the new road (from the sea to Kazvin) was 377,690*l.*, and the cost of the purchase of the Kazvin-Tehran road and of acquiring the road concessions was 650,208*l.* Thus the interest on the actual expenditure for road purchase and construction was $\frac{3}{10}$ per cent. These accounts do not include the expenditure on the Kazvin-Hamadan road, which must be considerable.

The Company is, of course, in receipt of the support of the Russian Minister of Finance, who also supplies the Russian Bank with the means of making very unremunerative advances on Russian goods imported into Persia. In addition to this form of assistance, the Russian Government encourages the export of certain articles by granting a refund of excise dues or of import duties on the raw materials. As already explained at length in connection with the refund of the excise on sugar on

export, the advantages derived from this system of refunds are, as a matter of fact, equivalent to bounties, and, in addition, facilities are given on the State railways and, in the case of the Odessa-Persian Gulf line, on Russian steamers.

It will be seen from the foregoing that the Russian Government is making considerable sacrifices in order to increase its trade with Persia. It is almost certain that, up to now, this policy, viewed from the commercial standpoint, has been a failure—that is, that it has resulted in a net loss to the State. Unless the British Government is prepared to make similar sacrifices, in all probability, with a similarly unremunerative result, British trade in Persia will be at a relative disadvantage, and, with the extension of the Russian road system, this disadvantage will be increased.

An alternative policy to that of heavy State subsidies appears to be to make use of the assistance of native merchants who can deal with native obstruction more efficiently than the European merchant supported by the British Legation. In this connection, I venture to refer to the abortive negotiations which took place lately between the Muin-ut-Tujjar and Messrs. Lynch. I am, of course, unable to form an opinion as to the reasons which made co-operation out of the question; but I venture to suggest, from the point of view of this Legation, that the Muin, who, as I have good reason to believe, has pecuniary relations of an intimate kind with the Sadr-i-Azam, as well as being the agent of the Sheikh of Mohammerah and a prominent member of the new Assembly, would be able to offer Messrs. Lynch far more effective assistance, both here and in the south, than the British Minister, who is unable to bring any inducements to bear except those of a diplomatic character.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure in No. 300.

STATEMENT of Accounts of the Enzelli-Tehran Road Company to end of 1905,
as published in the "Tehran Gazette" of September 27, 1906.

Dr.	Rs.	c.	Rs.	c.
1,500 ordinary shares (100 roubles) ..	1,500,000	00		
52,000 preferred shares (100 roubles), Class 1 ..	5,200,000	00		
46,320 " " " Class 2 ..	4,632,000	00		
	11,332,000	00		
	(£1,197,339)			
Reserve fund	8,773	44		
Errors in accounts, reversals, &c.	1,192	43		
Securities (various persons in land)	30,000	00		
Owing to surveyors of new road	54,410	48		
Owing other creditors	106,947	45		
Movable capital	8,988	24		
Net profits during 1905	29,481	62		
	244,793	66		
	(£25,865)			
	11,576,793	66		

Payment for extinguished shares will begin October 15, 1906, at the head offices of the Company, 55, Liteini, St. Petersburg; 14,900 roubles were in hand for paying the shares drawn at the tirage for 1905, but, considering amount of net profits for the year, only 14,500 roubles will be employed.

(Signatures of Directors.)

	Rs.	c.	£
Receipts during 1905 were	262,386	23	27,723
Expenses	232,904	61	24,608
Net profits	29,481	62	3,115

9·46 roubles = £1.

Of the receipts 88*1*/*2* per cent. went for expenditure; 11*1*/*2* per cent. were net profits. The net profits amount to a little over $\frac{1}{4}$ per cent. on the capital.

Cr.	Rs.	Rs.
	c.	c.
Acquiring concessions and purchase of road (Kazvin-Tehran) .. .. ..	..	6,153,780 91 (£650,208)
To recover from road survey	7,135 72	
To recover from contractors for construction	319,265 92	
Interests on bonds for 1900 and 1901, and cost of shares preferred (1) paid out of capital	358,258 77	
Cost of construction of new road (Euzelli-Kazvin)	3,574,584 64 (£377,690)	
	4,259,245 05	
Cash and current account's credits	1,011,753 00	
Securities in hand from various persons	35,000 00	
Value of movable property, tools, &c.	92,043 75	
Value of material for construction	5,205 82	
Various debts to Company	18,866 41	
Petty cash in hand	898 72	
	1,163,767 70	
	11,576,793 66	
Distribution of net profits (29,481 rs. 62 c.)— 5 per cent. of net profits for reserve fund	13,500 00	Rs. c.
Shares extinguished for 1904	14,500 00	1,474 08
" " 1905		28,000 00
Carried over to next year .. ..	..	7 54
		29,481 62

[42973]

No. 301.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 24.)

(No. 289. Confidential.)

Tehran, December 4, 1906.

Sir,
I HAVE the honour to report as follows on the Diplomatic Corps resident at Tehran:—

The Turkish Ambassador, Shemseddin Bey, who has been long resident here, and has many connections with the principal leaders of public opinion here, is a man of quiet and retiring habits, very religious, much addicted to theological discussion, very friendly to this Legation, and imbued with a very profound contempt for the Persian Government. At one time there was reason to suppose that, in connection with the Sheikh-ul-Reis, a prominent Mollah, he was engaged in a Pan-Islamic propaganda, but this has been put an end to by the Kerbela and frontier incidents, and the "Habl-ul-Matin," the organ of the popular party, has strongly condemned the movement from the Persian point of view.

The American Minister, Mr. Pearson, is a former member of Congress. He has little interest in Persian affairs, and is not on good terms with the American missionaries, who are his principal clients.

You are familiar with the antecedents and character of the Russian Minister, M. Hartwig. I have found him a sympathetic and loyal colleague, and I have reason to believe that he has maintained a friendly attitude to this Legation, in spite of the determined opposition of his subordinates. His influence on the Russian Consuls resident in Persia is beginning to make itself felt, though in some cases, as in that of the Russian Consul-General at Tabreez, he has been hitherto unable to enforce friendly co-operation with his British colleague. I think he regards Persia as a subject of secondary interest in Russian policy, a sentiment natural to one who passed the early years of his service in South-Eastern Europe and the later years in the First Department of the Russian Foreign Office; but he is inspired by an equally natural fear of the unofficial and outside influences to which his Government is subject, and with which he was so familiar as Count Lamsdorff's confidant at the time of the negotiations with Japan. He is sincerely anxious for an Agreement between England and Russia, and is doing his best to promote good feeling.

The French Minister, M. Désicos, is the author of a well-known book on Morocco,

and on the English in India and Egypt. He is fond of travelling, and is, no doubt, engaged on a work about Persia. He is anxious to promote good relations between us and the Russians, but, inspired by his Moroccan experience, he inculcates regard for both German and Persian susceptibilities and a policy of extreme caution. His relations with this Legation are most friendly.

The German Minister, M. Stemrich, was Consul-General at Constantinople, in which capacity he drew up a report, after a journey of inspection, on the Bagdad Railway. He is very conciliatory in manner, and has stated more than once, both to M. Hartwig and myself, his desire not to mix himself up in local politics, except where German commercial interests are concerned. His staff comprises Baron Richthofen, son of the late Foreign Minister, who recently arrived here from St. Petersburg, and who is a diplomat of the "Alcibiades" type advocated by Prince Bülow. His energy is remarkable, and has occasioned some anxiety, both among the Persians and his colleagues. The German Legation has attracted some attention by its intimacy with the Vazir Durbar and the Shoa-es-Saltaneh, the reactionary leaders. At the same time it is stated that it maintains close connection and has shown some sympathy with the leader of the Assembly, who has been educated in Germany. The Military Attaché is in constant communication with the Naib-es-Saltaneh, Commander of the Forces. Through the German doctor, who is now in attendance on the Shah, the German Legation is able to keep in touch with the Court. All these facts prove nothing with regard to the political activity of the German Legation, but show the position of influence and authority which it now possesses.

The "commercial" interests of Germany here, as you will have perceived, are connected with the projected branch of the Bagdad Railway to Khanikin and the trade in the Persian Gulf, where Hamburg steamers are now plying. It is also evident that, if German capital is available for the extension of the Russian railway from Julfa to Tabreez and beyond, under Russian direction, political co-operation in Persia between Russia and Germany is likely to result.

The Dutch Minister, M. de Sturler, who was Consul in Smyrna, and subsequently in Bangkok, is mainly occupied in attempts to secure the Concession for the irrigation of the Karun Valley. He appears to regard himself almost as a member of the German Legation, with which he is a constant associate. I am not aware how far German capital is interested in the Dutch scheme, but it will certainly enjoy German protection.

I have, &c.

(Signed) CECIL SPRING-RICE.

[42974]

No. 302.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 24.)

(No. 290.)

Sir,

IN continuation of my despatch No. 280 of the 9th ultimo, I have the honour to report that it had been arranged between the Mushir-ed-Dowleh and the English and Russian Ministers that the loan contract should be signed by the Sadr Azam and the Directors of the English and Russian Banks on the afternoon of Sunday, the 4th ultimo. Some delay took place in preparing the Persian text, which was not ready till Monday morning. At the same time it had been arranged that the Mushir-ed-Dowleh should communicate on Sunday to the English and Russian Ministers the draft of the note which he should address to them indicating the objects to which the Persian Government proposed to devote the proceeds of the advance. This step, however, the Mushir-ed-Dowleh has hitherto failed to take. On the Monday following the Sadr Azam was requested to fix a time for signing the Agreement. This he did not do. It was stated that he had some difficulty in drawing up the draft note. According to trustworthy information, he himself had advanced a sum of money to a native banker on the security of the loan, and naturally desired to recoup himself. As, however, other statesmen had equally pressing personal claims, it was a matter of considerable difficulty to adjust their differences.

In the meantime the rumour got abroad that the Government was on the point of signing an Agreement for another foreign loan. It was the month of Ramazan, and the mosques were full. Impassioned sermons were preached against the policy of the Government, which was engaged in selling the country to foreigners in order themselves to make money out of the transaction. The patriotic and religious sentiments of the crowded congregations were aroused; men offered money and women their jewels in

order to pay off the foreign debt. The movement grew in strength. The Finance Minister was summoned before the Assembly, and although he was listened to respectfully (for his character for honesty is well known), it was soon evident that the Assembly would not dare to sanction the loan; and the Government, without the sanction of the Assembly, would not dare to sign the contract.

The Assembly learned for the first time that the revenues of the Empire were pledged to foreign Governments, who could foreclose if the interest was not paid, and that an additional burden was now to be laid on the revenues already pledged. They had all good reason to know, from their personal experience, that money, if granted to the Government, would be divided among the Shah and the Ministers, and that little or nothing would be devoted to the real necessities of the country, whatever might be the pledges of the Sadr Azam and however solemnly given.

A movement was started for founding a national bank, and subscriptions were invited and soon were made from all quarters. A nominal sum, consisting mainly of promises to pay, was soon collected of about 500,000 tomans (100,000*l.*). But it was not long before it was discovered that there was no cash forthcoming. The amount of silver coin in the country is limited, and the greater part is in the hands of the foreign banks. The latter naturally refused to part with it unless they knew for certain whether the Government would or would not consent to accept the advance.

The result is that at the present moment there is a financial deadlock. The Government has borrowed large sums from native bankers, which it is unable to repay. The native bankers are indebted to the merchants of the bazaar, and are unable to meet their liabilities. It is impossible to obtain an advance from the only available source, namely, the foreign banks.

Under the circumstances the Mushir-ed-Dowleh addressed a private request to the Russian Minister for an advance on account, suggesting that they could sign an Agreement with secret conditions as to the guarantee, which could be concealed from the Assembly. The Russian Minister refused the offer and at once informed me. At the same time a request was made to me on behalf of some members of the Assembly to use pressure on the English Bank, in order to induce the Director to advance money for the purpose of founding the new national bank. I explained that such action on my part was quite out of the question, and informed M. Hartwig of what had occurred. We have both endeavoured to impress on any one who addressed us on the subject that our Governments were by no means anxious to make the advance—which, in the case of Russia, was on evidently disadvantageous terms—but that we had consented to the step in response to the urgent appeals made to us by the Persian Government. We had insisted, as a *sine quâ non*, on the condition that the expenditure should be justified and that the money should not be squandered. We had asked for security, as an ordinary commercial precaution, and without any political conditions. An honourable offer had been made to the Persian Government, which they were at liberty to take or to leave. So far we did not know whether the offer was refused or accepted; until we did, we must adopt an attitude of perfect neutrality, and sanction an advance neither to one party nor to the other.

In conclusion, I venture to record a somewhat remarkable statement made to me by a Persian banker who passes for the honest man of Tehran. I asked him why the Mushir and the Assembly could not agree on the terms of the note to the Legation indicating the objects of the expenditure. In this way, I said, the Assembly would exercise effective control. He said, in reply, that unless the Assembly received the money it would have no guarantee that the money was actually expended for the purposes indicated, and that unless the Mushir received the money himself he would not care to sign the Loan Agreement.

I have, &c.
(Signed) CECIL SPRING-RICE.

[42975]

No. 303.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 24.)

(No. 291.)

Sir,

IT may be of interest if I put on record some facts in regard to the present state of the country.

The Shah is in a dying condition, although authorities differ as to the probable date of his death. He spends his time propped in a chair, his legs and body swollen with

dropsy, subject to fits of fainting or hysterical tears, occupied with his own symptoms, and incapable of work. You are familiar with his weak, vicious, and amiable character, and his career of incurable extravagance.

The Valiahd is on his way to Tehran. His habits are vicious and intemperate, but he is strong in body, except for a syphilitic affection of the throat. He is very unpopular both here and at Tabreez. He is not devoid of intelligence, and has vices which may be useful to his country, for he is both cruel and avaricious. He is regarded as the tool of Russia, and as opposed to all Liberal ideas. He has, however, sworn to respect the rights of the Assembly, and he may find it convenient to conceal his political sympathies when he ascends the throne, and to hold the balance even between Russia and England. He is certainly credited with more than his fair share of Kajar falsehood.

The Shoa-es-Sultaneh, the Shah's favourite son, an epileptic of agreeable manners, has been driven from every Government which he has held in consequence of his cruelty and oppression. He hoped, through his father's affection, to obtain the succession, but was unable to withstand the temptation of laying hands on the Government properties at Shiraz, with the result that he has become the most unpopular person in the Empire, and that his succession is out of the question.

The Salar-ed-Dowleh, another son of the Shah's, a weak and inconsequent schemer, is now Governor of Arabistan, where he is reported to be collecting a large force of horsemen from among the robber tribes of his province. What he will do on his father's death remains to be seen.

The Court party consists of the Shoa-es-Sultaneh and four principal courtiers headed by the Vezir Darbar. They hoped to exclude the Valiahd from the succession and divide the power of the Throne between them. The Vezir Darbar, a few years ago a penniless adventurer, has now accumulated a considerable fortune, and he is in hopes to increase it and pay his debts out of the proceeds of the foreign advance and the State properties such as still remain. He is violently opposed to the Assembly, which has thwarted this scheme, and for some time he seriously contemplated a *coup d'état*. The attitude of the soldiers, lack of money, the Shah's unpopularity, and the decided language of the British and Russian Ministers, have so far dissuaded him from his purpose, and he is now supposed to be trying to make his peace with the Valiahd.

The Sadr Azam, the Mushir-ed-Dowleh, is a personage whose character has long been known to His Majesty's Government. During his long career in different offices and under different masters he has managed to retain power and steadily to increase his fortune. He has invested his accumulations in land, and is anxious to preserve his winnings. His guiding idea appears to be money making. His sympathies are purely Russian, mainly because there is more money to be made in the Russian service. At the present moment he is in fear of the Assembly, which has forced him to refuse the advance proffered by the two Governments; and his professed sentiments are strongly Liberal. But he is making private advances to the Russian Legation for a loan, with secret conditions, which has been refused. You may judge of his attitude towards this Legation by two facts. His first official act on his accession to power (which he mainly owed to Mr. Grant Duff's energetic protests against the Ain-ed-Dowleh's régime) was to complain to His Majesty's Government of the action of their Representative. On my arrival here he took advantage of my presumed ignorance to appoint to the Governorship of Urmia, the very man who had been removed from that post, at the instance of this Legation, for collusion in the murder of an American missionary.

The Assembly now consists only of the Delegates from Tehran. They meet in a room of the palace occupied by Lord Downe on the occasion of the Garter Mission. They have a President who preserves a certain degree of order, but no rules. Any one may speak who likes, and there is no order of the day. Several speakers address the House at once. There have been one or two tumultuous scenes, but these are not frequent. The House is divided into two parties—one led by the Sani-ed-Dowleh, a man educated in Germany, and of considerable intelligence; the other, led by an ambitious and clever agitator, the Saad-ed-Dowleh, who distinguished himself while Persian Minister at Brussels by using his diplomatic privileges in order not to pay his house rent. Most of the members are ignorant of politics, although many are merchants and business men. They are under the direction of a small minority of their own members, and are also overawed by the presence of the principal Mujtaheds, who attend the Assembly, and frequently interrupt the proceedings.

Whatever be the private sentiments of the Assembly, they certainly represent the strong feeling of hostility towards the Government which now prevails among the people. They have succeeded in frightening the Mushir-ed-Dowleh into refusing the foreign

advance, and also have wrested the control of the grain trade from the hands of the Government ring. Signs are not wanting that a new power has arisen against which Court and clergy are willing to co-operate, as it threatens to usurp their powers. The origin of the movement which the Assembly represents is not far to seek.

Since the present Shah's accession, the courtiers have been able to usurp control of most of the Crown lands and of the Government revenues. When the natural financial consequences ensued, the Shah had recourse to foreign loans. In return for political concessions he obtained large sums of money which were spent in foreign travel or in largesses to his creatures. He was suspected of being on the point of concluding a further loan, which would have achieved the ruin of the country. The Belgian adviser, M. Naus, to whom he had confided the control of the Customs, was known to have given in no accounts, to be in receipt of large sums of money for his personal use, and stories of his corruption were spread through the country. Numbers of Belgians were appointed in the Customs Administration at what were regarded as extravagant salaries. He was believed to be personally interested in the conclusion of a foreign loan, and to be encouraging the Persian and foreign Governments, especially that of Russia, to which he was supposed to be bound by a secret agreement, to make a financial arrangement under which he himself would have the control of the internal administration of the country.

There appeared to be no remedy to this state of things, when the Shah and his chief advisers were conspiring, for interested motives, on a scheme for the sale of Persian independence to the highest bidder, except to repudiate altogether the policy of foreign loans.

Whether the Assembly will develop sufficient practical power to take the one necessary step—namely, to reform the finances, to draw up a Budget, to balance revenue and expenditure—remains to be seen. At present their labours have had no practical result except the purely negative one of putting a stop to the joint Anglo-Russian advance.

I have, &c.
(Signed) CECIL SPRING-RICE.

[42976]

No. 304.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 24.)
(No. 292.)

Tehran, December 6, 1906.

Sir,
THE Russian Minister has on two occasions lately approached me with regard to the Meshed-Seistan telegraph line, and informed me of the proposals which, as I understand from you, have already been made officially by the Russian Government. He stated that M. Isvolsky thought that a discussion between the Russian and British Ministers here would greatly facilitate a settlement. I informed M. Hartwig, in reply, that I had received no instructions on the subject, and that I had reason to believe that in your view any discussion here would only lead to further complication. I agreed, however, to communicate to you privately the views which he had expressed, together with any personal observations which might suggest themselves, arising out of information supplied by the local British telegraph officials on the spot.

With such considerations the Indian Government is already familiar. They amount to this: that an alternative line to the India frontier, via Meshed and Seistan, under European supervision and control, would greatly facilitate telegraphic communication, but that it would be more economical in the end to construct the line with iron posts, especially if they could be imported via Batoum and Baku. With regard to the forest of cypresses as to which the Russian Government proposed to obtain a monopoly from the Persian Government, and as to the exact locality of which I was unable to obtain information, it appears to be most probable that reference is made to cypress woods on the Khorassan frontier, as no cypress forests are known to exist south of Pul-i-Katum. There are, however, fir plantations south of that point, but they are necessary for the shelter of the villages from the prevailing winds, and their destruction would lead to serious popular discontent.

In view of the attitude adopted here by M. Hartwig, and by M. Isvolsky at St. Petersburg, that the question of the control of the line is of purely technical importance, I venture to submit a short summary of what actually has taken place between the Russian and Persian Governments on the subject.

In the loan negotiations which took place in 1902 one of the conditions proposed

by Russia was a Russian telegraph line from Meshed along the Afghan frontier to Seistan. This proposal was modified by M. Witte, who agreed that the line should be constructed and worked by the Persian Government out of the proceeds of the loan. A verbal promise was at the same time given by the Shah that the services of Russian signallers should be used on the line, and that its Seistan line should not be connected with the Central Persian or Indian telegraphic systems (Sir Arthur Hardinge's Memorandum of the 23rd December, 1905).

The Persian Government, although it first allowed the employment of the signallers, insisted that they should be recalled. But on the eve of the Shah's departure in May 1905 the Russian Government renewed its pressure, and the Shah allowed their temporary appointment pending discussion of the question with the Emperor of Russia. This concession was, in Sir Arthur Hardinge's opinion (his No. 116 of the 24th May, 1905), wrung from the Shah by a desire to please the Russians on the eve of his visit to St. Petersburg. It subsequently appeared that an additional concession had been obtained, namely, that of a telegraphic line from Kuchan to the Trans-Caspian frontier, thus linking Seistan with the telegraphic system of Russia (Sir Arthur Hardinge's despatch No. 127, of the 10th June, 1905).

In June 1905 the working and control of the line was in the hands of the Russians, and thirteen Russian engineers and telegraphists were employed on it. In September 1906 the Grand Vizier admitted that orders had been given that the instruments at Meshed should be transferred from the Persian to the Russian office, but denied that any further concessions would be made. This particular concession had been made by order of the Shah in compliance with a written demand made by the Russian Minister (Mr. Grant Duff's No. 239 of the 13th September). It appeared, however, that the Persian Ministry of Telegraphs had been instructed by the Persian Foreign Office to hand over the control of the whole line to the Russians, including the Seistan end; and the instruments at Nasratabad were actually removed to a Russian office, giving the Russians the power to cut off communication at will. It is remarkable that this new concession, which must have been due to the influence of the *Mushir-ed-Dowleh*, coincided with the reported attempts made by him at the time to secure a loan from Russia.

It appears, therefore, that the design of Russia to obtain control of telegraphic communication between Seistan and Astrakhan has been the subject of repeated demands on the Shah and on the Persian Government, and that it has only been finally accomplished after negotiations lasting since 1902. It is also significant that the Shah appears to have been given to understand that the Emperor of Russia himself attached special significance to the demand and that his reception in St. Petersburg would be affected by the nature of his reply.

I have, &c.
(Signed) CECIL SPRING-RICE.

[42977]

No. 305.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 24.)

(No. 293.)

Sir,

Tehran, December 6, 1906.

I BEG to submit the following observations on the attitude of the Russian Legation to the popular movement in Persia.

There is indisputable evidence that money was offered to induce some of the "bastis" to take refuge in the Russian Legation—an offer which the popular leaders refused; and also that the Russian Consuls were instructed to point out that the success of the popular movement was mainly due to Russian interposition.

Since my arrival I have been much struck by the evident anxiety of M. Hartwig to counteract the impression that Russia sympathized with the Government against the people, although his own personal belief is that the popular movement will collapse for want of proper organization, and that in any case it is fraught with considerable danger and likely to lead to excesses.

The Valiahd's personal leanings towards autocracy are well known; but I have good reason to believe that the Russian Legation is impressing on him the necessity, at any rate at first, of observing a benevolent attitude towards the Assembly. As M. Hartwig observed to me, "Plus tard nous verrons."

In his various communications with the leaders of public opinion, M. Hartwig has been careful to express his desire to abstain from any sort of interference in the

domestic politics of Persia. He has shown a sympathetic attitude towards the popular aspirations for financial independence, and has expressly disclaimed any desire on the part of his Government to force a loan on the Persian nation.

In an interview with the reactionary leader, at which I was present, he impressed on him, in unequivocal language, the desire of our Governments that order should be maintained throughout the Empire, and his intention to regard with hostility any attempt, by whomsoever made, to disturb order by aggressive action. He took measures to let it be known throughout the town the nature of the language he used, which has had an excellent effect, and has certainly discouraged any inclination of the Court party to attempt a *coup d'Etat* against the Assembly.

I have pointed out to the various persons who come to this Legation for advice or assistance that the Russian Legation is not in any way hostile to the popular movement, but that the Russian Government might be forced into an attitude of hostility if the popular leaders proclaimed a pro-English and anti-Russian policy. I enjoined on them the duty of managing their own affairs themselves, and of not looking to foreign Governments for encouragement and support.

To suggestions which have reached me to the effect that Governmental oppression may force the popular party to take refuge again in this Legation, I have replied, with M. Hartwig's knowledge and consent, that, although my Government strongly objected to being forced into interference with the domestic politics of Persia by a mass demonstration, I would be willing to receive a deputation of two or more Delegates, on condition that Delegates were also sent to all other Legations without exception.

I have, &c.
(Signed) CECIL SPRING-RICE.

[42978]

No. 306.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 24.)

(No. 294. Secret.)

Tehran, December 6, 1906.

Sir,
I VENTURE to think that it may be of interest if I were to recapitulate the history of the loan negotiations in the last six months. My information is derived in part from secret sources, which, however, were independent, and which I have carefully compared.

Since the date when I made a communication to Count Lansdorff, in the sense of your telegram No. 34 of the 2nd February last, to the effect that His Majesty's Government was desirous of abstaining from making any money advance to the Persian Government without the knowledge and concurrence of the Russian Government (my despatch No. 111 of the 7th February), the Persian Minister at St. Petersburg, the son of the Mushir-ed-Dowleh, was present in Tehran in connection with loan negotiations with Russia.

I gather that Russia expressed her willingness to make a loan of a considerable sum, but under very onerous conditions. These conditions, according to independent accounts which have reached me from the highest sources, amounted to the practical control of Persian foreign relations by the Russian Government. The Ain-ed-Dowleh, though most anxious to secure the proffered loan, and the Shah himself were unwilling to accept the conditions on the ground that they would put an end to Persian independence. Their opposition was strengthened by the growing popular discontent, which, on the news of a new Russian loan, would certainly have assumed very formidable dimensions.

During the summer meetings were held in the Shah's presence at which violent language was held, and the Ain-ed-Dowleh's expulsion from office gave point to the expostulations made by the opponents of the loan, for it proved beyond a doubt that the popular movement was something to be feared—indeed, that it threatened the dynasty it elf.

The great influence enjoyed at that time by the British Legation, owing to the energetic action taken by Mr. Grant Duff, added a new element to the situation. It was plain that England had the power of setting on foot an agitation which would make a Russian loan impossible, while a British loan would have been greeted with satisfaction.

Under these circumstances, the Mushir-ed-Dowleh became Sadrazam. Although

both he and his son were deeply engaged in the Russian loan negotiations, his naturally timorous character made him reluctant to bear the odium of concluding a loan at once. He refused the loan under the proffered conditions.

The Russian Government had suggested that the negotiations should be continued at St. Petersburg, and that M. Naus should be sent there to assist at drawing up the terms and in supplying the necessary information (Mr. Grant Duff's telegram No. 229 of the 2nd December, and Sir Arthur Nicolson's No. 642 of the 21st September, paragraph 4). The Shah, however, refused this offer, and insisted that the negotiations should take place at Tehran. Finally, I understand, a proposal was made by the Mushir-ed-Dowleh, which received an encouraging reply, to the effect that a temporary advance should be made to meet the pressing necessities of the Government, and that subsequently, when occasion offered, the negotiations should be resumed for a large and permanent loan. It was, however, evident that an advance from Russia alone was open to the same objections on the score of popular sentiment as a permanent loan, and would probably have laid Russia open to a dangerous popular campaign.

A month after the Mushir-ed-Dowleh's accession to office M. Isvolsky informed Sir Arthur Nicolson (see his despatch No. 575 of the 1st September) that the Russian Government, though no reply had been made at the time to the communication made in my private letter to Count Lansdorff, was of the opinion that a joint advance by England and Russia was the best way of meeting the financial difficulties of Persia, and that they had recently refused a request from Persia for an immediate advance of 500,000*l.* and also a loan of 1,650,000*l.* A joint Anglo-Russian advance was then agreed upon. The advance as originally proposed was to be repaid in March, out of the proceeds of a loan; the Persian Government objected to so short a term, but consented to a year's delay. The Mushir-ed-Dowleh, indeed, raised no objection to the later proposal to this effect made by the two Governments on the initiative of Russia.

The present situation, therefore, if the loan contract is signed, is that proposed by the Mushir-ed-Dowleh, namely, that negotiations should be carried on for the conclusion of a large loan, during the delay allowed for under the conditions of the advance.

I venture to add that experience shows that the Russian Foreign Office was not kept informed of the previous loan negotiations which in 1900 and 1902 were carried on between the Russian Financial Department and the Persian Government. Indeed, on both occasions Sir Charles Scott and Sir Charles Hardinge were explicitly assured by the then Foreign Ministers that no negotiations were on foot. It would seem as if the Russian Foreign Office had been to some extent left in the dark as regards the recent negotiations. The presence of M. Grabe in St. Petersburg (he arrived there in May) may account for the action which appears to have been taken by some Department of the Russian Government, doubtless without the knowledge of M. Isvolsky, who imagined that the informal agreement between the Russian and English Governments was in force, according to which neither Government was to make "loans without the knowledge of the other."

I have, &c.
(Signed) CECIL SPRING-RICE.

[42979]

No. 307.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 24.)

(No. 295.)

Sir,
Tehran, December 6, 1906.
I HAVE not troubled you with communications on the subject of the Turco-Persian frontier or the Kerbela incident, as you will already be in possession of more authentic information from Constantinople. At the same time, I venture to think that it may be of interest to His Majesty's Government to learn what appears to be the general impression here with regard to relations between Persia and Turkey.

The Minister for Foreign Affairs informed me yesterday that he had accepted the Turkish proposal for a Joint Commission to meet at Mosul, although he would have preferred a place of meeting nearer the scene of action. What actuated him in not raising what he considered would be a justifiable objection was his hope that the Sultan, being aware that both Russia and England were ready in case of need to lend Persia a friendly hand, and out of fear of Christian intervention, would consent to a reasonable settlement.

[1682]

A few months ago, he said, the Sultan appeared to have hopes of obtaining a strong hold in Persia, and for this purpose he had obtained the assistance of the Sheikh-ul-Reis, a prominent Mujtehid who was in close personal relations with the Turkish Ambassador. Some progress had been made, and perhaps, in view of the weakness of the existing Government of Persia, there had been an inclination to look to the Sultan for protection against foreign aggression.

The Sultan had no doubt hoped by aggressive action on the frontier to bring into relief the weakness of the Persian Government and the inadequate nature of the Christian support on which it had hitherto counted in its conflicts with Turkey. Moreover, there were some grounds for the belief that the Sunni Kurds would be glad of Turkish intervention.

These hopes, however, had been disappointed. Persian patriotism had taken alarm at Turkish aggression; and just at the critical moment the Kerbela incident had occurred, which had created a profound impression. I enclose herewith a memorandum of a conversation between Abbas Kuly Khan and a prominent Mujtehid, which gives the view accepted as authentic in Shiite circles here.

I need not remind you that the Shiite convictions of the Persian people are closely connected with their feelings as a nation, and that their hostility to the Sunnites is not only religious but national. It would in any case be difficult for the Sultan to overcome so deeply rooted a feeling; but recent events have only increased the antagonism.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure in No. 307.

Memorandum of a Conversation between Sheikh Fazlullah and Abbas Kuli Khan, December 5, 1906.

I CALLED yesterday on Sheikh Fazlullah, the Mujtehid. In the course of conversation he referred to the Kerbela incident, and asked me for particulars. I told him what I knew about the incident, but he said that the information he had received from the place did not quite agree with mine, and he described it as follows:—

Some thirty years ago a disturbance took place at Kerbela, in which a large number of Turkish troops were killed. To fine the miscreants and to pay the families of those killed the Turks imposed a temporary tax on Persian shops in Kerbela, and it was to be continued for twenty-five years. After the expiration of the period the Turks continued collecting the tax in question. A few years ago, through the representations made by the Persian Embassy at Constantinople, the tax was abolished, but it was recently renewed, and the Turks claimed the arrears. Persians not being able to pay this illegal tax appealed to the Persian Consular officer at Kerbela, who did nothing to help them. Then they sought protection under the British flag, and pitched some tents in front of the British Consulate. The Turkish authorities tried to persuade them to go away, but they would not listen to them. The Ottoman Government then sent Reshid Pasha, who is of Persian origin, to Kerbela as Governor. This official also at first did his best to induce the Persians to leave the front of the British Consulate, but, having failed to do so, afterwards sent troops to disperse them. They were unexpectedly attacked early in the morning. In despair, the Persians forced the door of the Vice-Consulate, and several of them died of their wounds in the courtyard of the Consulate. The tents of the Persians were plundered. About fifty Persians were killed in the fighting, or died of their wounds immediately after. Forty men died of their wounds afterwards, making a total of ninety up to the first part of November, when the letter was written. A large number of Persians are also missing. One of the servants of the Vice-Consul received a wound and died afterwards. The Vice-Consulate was fired on by the Turkish troops. The Vice-Consul was secretly encouraging the Persians not to leave the front of the Consulate pending the removal of their grievances.

The above is the statement made by Sheikh Fazlullah, but, in my opinion, the last paragraph about the conduct of the Vice-Consul in encouraging the Persians is not worthy of consideration, as in such cases the officials who act as go-betweens are always blamed.

(Signed) ABBAS KULI.

[42981]

No. 308.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 24.)

(No. 297.)
Sir,

Tehran, December 6, 1906.

WITH reference to my despatch No. 279 of the 8th ultimo, on the subject of the appointment of the Nizam-ed-Dowleh to the Governorship of Urmia, I have the honour to inclose herewith copy of a note addressed to the United States' Minister and myself, stating that the person in question has been appointed, not to Urmia, but to Soujboulak.

I understand that Imam Kuli Mirza, who is supposed to be a capable official, will eventually be appointed Governor of Urmia.

I venture to recapitulate the circumstances, as they are characteristic of the present Government of Persia.

At the request of Mr. Wratislaw I addressed a private letter to the son of the Mushir-ed-Dowleh, asking him to draw his father's attention to the condition of affairs at Urmia, and suggesting that a capable official should be sent there. I received a friendly answer. Shortly afterwards I was verbally informed that the Nizam-ed-Dowleh was proceeding to Urmia as frontier officer, and he was brought to call on me by the son-in-law of the Mushir-ed-Dowleh. On ascertaining that the Nizam had been expelled from Urmia at the joint request of the United States' and British Ministers for gross dereliction of duty, I informed the United States' Minister, and we addressed a joint remonstrance, with the result that we have now received a pledge that he will have no authority in Urmia itself. From a secret source I received copy of a telegram addressed to the Valiahd by the Mushir-ed-Dowleh, informing him that the British Minister "had become aware" of the former proceedings of the Nizam, and had protested against his appointment; under these circumstances the Valiahd was to warn him not to "mention the Governorship of Urmia."

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure in No. 308.

Note addressed by the Ala-es-Sultaneh to Mr. Pearson and Sir C. Spring-Rice.

Ministry for Foreign Affairs, 7th Shawval, 1324
(November 25, 1906).

YOUR communication dated the 15th Ramazan (3rd November, 1906), with reference to the appointment of his Excellency Haji Nizam-ed-Dowleh, has been respectfully received.

The representations you have made on the subject of his Government have been understood, and, in reply, I have the honour to inform your Excellencies that the Nizam-ed-Dowleh has been appointed to the Government of Soujboulak and frontier officer of that region.

The Government of Urumia is still in the hands of the former holder of the position.

(Sealed) MOHAMMED ALI,
Minister for Foreign Affairs.

[42982]

No. 309.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 24.)

(No. 298.)
Sir,

Tehran, December 7, 1906.

I HAVE the honour to inclose herewith the monthly summary of events in Persia for the period of the 8th November to the 6th December.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure 1 in No. 309.

Monthly Summary of Events in Persia from November 8 to December 6, 1906.

Tehran.

1. *Shah's Health.*—Dr. Damsch, the German specialist, arrived on the evening of the 9th ultimo and went straight to the Palace, where quarters had been provided for him. After his preliminary examination of the Shah, he was asked for his opinion, and is said by Vezir Durbar to have answered as follows:—

"I must ask His Majesty to do three things: Firstly, to place his trust in God; secondly, to place his confidence in me; and thirdly, to have patience."

All further attempts at Court to obtain a definite expression of opinion have failed, and Dr. Damsch has taken the treatment of the Shah entirely into his own hands and does not even tell the Shah's physicians what that treatment is.

His Majesty at first showed signs of improvement, but is now reported to be in a most critical condition again. The dropsy, which about the middle of November showed signs of decreasing, has now again increased alarmingly, and on the 3rd instant injections of camphor had to be resorted to in order to keep the Royal patient alive. The news of the gravity of His Majesty's condition is already generally known in the town, and it has been rumoured several times already that the Shah is actually dead. In well informed circles some anxiety exists as to possible eventualities should the Shah die before the Valiahd reaches Tehran. The Valiahd left Tabreez on the 4th instant, and expects to arrive here within eleven days. (See, however, under Tabreez news.)

2. *His Imperial Highness the Valiahd.*—The Valiahd has for some time shown considerable anxiety to come to Tehran, but had to await the Shah's orders. A persistent rumour was circulated in Tehran towards the end of November that an attempt had been made in Tabreez on the Valiahd's life. Some unknown persons were said to have fired at him as he drove through the streets. The foundation for the rumour was a trivial incident one night at the Palace gate when a guard sustained slight injuries. His Highness apparently much exaggerated it, and assured the Shah that his life was no longer safe at Tabreez.

His Imperial Highness is bringing a large mounted escort with him, and as Captain Khobaieff, an officer of the Tehran Cossack Brigade has been on special service at Tabreez for some time, it is not unlikely that he will be one of the party, and perhaps in command of the escort.

The British and Russian Consuls-General will not accompany the Valiahd to Tehran, though arrangements had been made for them to do so if the Shah had died before His Highness left.

3. *The National Assembly.*—The prominent figures in the present conflict between the "Reform" and "Reactionary" parties are:—

Reform Party.

Sani-ed-Dowleh, President of the Assembly.

Haji Moin-et-Tujjar,
Haji Amin-uz-Zerb,
Erbab Jemshid,
Haji Mohammed Ismail,

Mukhber-ul-Mulk,
Mohakek-ed-Dowleh,
Hassan Ali Khan,
Valiullah Khan,
Sadik Hezret,

Saad-ed-Dowleh, ex-Persian Minister at Brussels.

Seyed Abdullah,
Seyed Mohammed,
Sheikh Fazlullah,
Imam Jumeh,
Sheikh-ur-Reis,

Prominent Merchants, Members of the Assembly.

Supporters of the President in the Assembly.

Prominent Ecclesiastics, not Members of the Assembly.

Reactionary Party.

His Imperial Highness the Valiahd, Shah's eldest son.
His Highness Shoa-es-Sultaneh, Shah's second son.
Amir Behadur Jang, Vezir Durbar, Minister of the Court.
Sipahdar, Minister of Telegraphs, formerly Nasr-es-Sultaneh.
Serdar Akrem, Shoa-es-Sultaneh's Vizier in Fars.

The principal points under contention during November were—

1. Proposed joint Anglo-Russian loan.
2. Constitutional Regulations.

The history of the proposed loan, and the opposition of the Assembly to it, is fully dealt with in His Majesty's Minister's despatch No. 290 of the 4th instant.

The "Constitution" is still under discussion. The Reactionary party used it in order to force the Assembly to agree to the foreign loan, and the Assembly, in making their proposal to raise the money locally, stipulated that an indispensable condition was the signature by the Shah of the "Constitution." Such, in brief, is the present state of the movement. The events of the past month perhaps also deserve brief mention.

Open hostility on the part of the Reactionaries became apparent towards the end of November, when the attitude of the Vezir Durbar became threatening, and it was even thought that an attempt would be made to effect a *coup d'état* in order to suppress the representatives of the people who showed their gradually increasing power by vetoing the proposed joint foreign loan. The Assembly insisted on being consulted, in the matter of the loan, by the Shah's Ministers, and called upon the Minister of Finance to place the proposal before them in due form, which he did on the 18th and 20th of November. His account of what passed on these occasions is embodied in a separate Memorandum.

The British and Russian Ministers wishing to make joint representations to the Vezir Durbar respecting the gravity of the situation created in Fars by the removal of Ala-ed-Dowleh and the proposed appointment of Nayer-ed-Dowleh to succeed him, made arrangements to meet at his house on the 20th November. Vezir Durbar at this interview practically asked for the support of the two Governments against the reform party, which he described as a handful of intriguers who could be suppressed in three days with the help of the two Legations. The Russian Minister very clearly explained that neither the British nor Russian Governments could take sides; a declaration which greatly strengthened the hands of the Reform party who soon heard of the discouraging language held to their principal enemy. A separate Memorandum is inclosed giving an account of this interview.

The financial side of the question has been fully dealt with in His Majesty's Minister's despatch No. 290 of the 4th instant.

When the Assembly had definitely vetoed the proposal of a joint Anglo-Russian loan, a proposal was made to raise an internal loan for the purpose of relieving the immediate necessities of the Government. During the last week of November a subscription list was circulated by the mercantile Deputies, who talk of forming a Persian National Bank. The subscription lists are said to have reached the total of about 100,000*l.* So far the scheme is only on paper and there seems little likelihood of any practical result forthcoming.

The Russian Minister has explained to the President of the Assembly, and to his clerical and other friends, that his Government is not at all anxious to lend money to Persia; that Russia would rejoice to see the Reform party strengthened, and that his Government has given renewed assurances respecting the integrity of Persia, whose prosperity and welfare Russia wishes for.

Similar language has been held by His Majesty's Minister.

With respect to the proposed internal loan, the Russian Minister made some observations to Haji Sheikh-ur-Reis, a prominent speaker, who, though not a Deputy, repeated the Russian Minister's words before the Assembly on the 1st instant. He stated that the Russian Minister had told him that if the people of Persia produced the money as they now proposed to do, instead of again borrowing from abroad, they would indeed be a nation. If, however, they failed, then Russia would despair of them.

The President of the Assembly, and his followers, who represent the enlightened
[1682]

element in that body, have shown in conversation with Mr. Churchill that they have an accurate conception of the true attitude of both England and Russia at the present juncture. The President fully realizes that Persia must either now make a real reform in her administration without external intervention, or, to use his own word, "perish."

The advent of the Valiahd, who seems to be greatly mistrusted, and who is generally classed with the Reactionaries, and his probable early accession to the throne, fills many with apprehension. On the one hand there is a feeling of satisfaction at the prospect of such persons as Amir Behadur (Vezir Durbar), Ain-ed-Dowleh (ex-Grand Vizier), Shoa-es-Sultaneh, and a host of others, losing their present evil influence, and perhaps even of their being bled: but, on the other hand, the Valiahd's character is too well known for him to be anything but unpopular.

4. *Haji Nizam-ed-Dowleh*.—The appointment of Nizam-ed-Dowleh as Governor of Urmia has at last been cancelled. A telegram has reached the hands of His Majesty's Minister in which the Sadr Azam said to the Valiahd:—

"I informed your Highness of the difficulties arising with regard to the Nizam-ed-Dowleh's Governorship of Urmia on account of the opposition of the British and United States Legations. Your Highness will, of course, have ordered the matter to be explained to him, and will not allow him to mention anything about the Governorship of Urmia. The British Minister, who arrived lately, has found out that Nizam-ed-Dowleh was Governor of Urmia when the missionary was killed, and has started to recriminate and to make complaints. Consequently, you will order that Nizam-ed-Dowleh should on no account make mention of the Governorship of Urmia or of the post of frontier officer there . . . but restrict his mission to the Governorship of Soujboulak alone."

5. *Governorship of Fars*.—In spite of the strong representations made by both the British and Russian Ministers to the Persian Government, the Ala-ed-Dowleh has been dismissed from the Governorship of Fars, which remains for the present under a Deputy Governor, Khabir-ed-Dowleh, the Director of Telegraphs, who formerly held the same post at Meshed and was turned out at the instigation of the Russians. Nizam-es-Sultaneh, who had been for some time Vizier to the Valiahd at Tabreez and is now at Tehran, has been asked to proceed to Fars, but he is still negotiating with regard to the Shoa-es-Sultaneh's Crown lands. It is proposed that the people of Fars should buy them up for from 250,000 to 300,000 tomans (50,000 to 60,000*l.*) and thus rid themselves of the Prince. The Shah is said to have told Shoa-es-Sultaneh a week or two ago that he would be well advised to take the money and let the Crown lands go, as, if he waited, a time might come when he would get neither. In the light of present facts it would seem that the latter eventuality, should the Valiahd come to the throne shortly, is more than probable.

6. *Newspaper Correspondents*.—Mr. Stanhope of the "New York Herald" arrived at Tehran at the beginning of December, and has already telegraphed long accounts respecting the Shah's condition and the political situation to his paper. He pays daily visits to M. Hartwig, and has interviewed the Foreign Minister and the President of the Assembly.

Mr. Fraser is reported to be at Meshed on his way to Tehran. He represents the "Times" and "Times of India."

7. *Turquoise Mine Concession*.—Sheikh-ul-Mulk, who was employed by Mr. D'Arcy at the Kasr Shereen oil wells at a salary of 1,000*l.* a-year, and who is now unemployed at Tehran, has obtained a concession for turquoise and borax mines in the district of Kerman. The question has been brought up by the Assembly, who consider that they should be consulted in the matter of any new concessions to be granted.

Meshed.

1. An exodus of Jadeeds (Jewish converts to Islam) is taking place. There were about 400 families of this community in Meshed, about 100 of whom have recently left for Constantinople. The reason is said to be that the "Constitution" about which so much is being said, will make the clergy more powerful, and the converts will be compelled to become Mussulmans in something more than name, as they are at present.

2. The Ain-ed-Dowleh's agent in Feriman, a property in Khorassan acquired by the ex-Grand Vizier, was reported on the 14th November to have gone to Semnan to meet the Ain-ed-Dowleh, who was on his way to his estates.

3. The Russian Consul-General, M. de Klemm, is on very friendly terms with Major Kenion. On the 17th November, the Russian Consul-General wrote officially to Major Kennion about a claim made by a Russian subject against two persons, who are said to be Afghans. The Consul-General's letter ended as follows:—

"As affairs relating to the Afghans are in charge of the British Consul-General, I have ordered the Russian subject to take the bond to show you and explain matters. I beg you will kindly afford the relief he desires."

Turbat-i-Haideri.

1. On the 1st November the first consignment of German goods reached Turbat. It consisted of some of the worst cigarettes ever manufactured, put up in gaudy boxes, by a Dresden firm.

2. The telegraph-master at Turbat told Captain Keyes that all the linesmen on the Meshed-Seistan line have now been handed over to the Russians, who pay them.

3. Two Russian Cossacks for Seistan arrived at Turbat from Meshed on the 23rd October. They were in charge of several heavy cases said to contain arms and ammunition.

4. Captain Iyass, whose militant attitude was referred to in the summaries for October and November, is reported by Captain Keyes to have taxed him with having sent an unfriendly report on him to Tehran. From this Captain Keyes inferred that the Russian Minister had directed Captain Iyass to refrain from fomenting trouble among the local officials. This is, no doubt, correct as His Majesty's Minister brought the matter to the notice of M. Hartwig.

5. Captain Keyes reports an incident between his Indian escort and some pilgrims from the Province of Azerbaijan. These Azerbaijan Turks are well known to terrorize the Khorassanis in all the caravanserais along the pilgrim route, and the natives of Sherifiabad, where the incident occurred, were apparently very pleased that the Indian escort severely punished these Turks who had attacked the British Consul's muleteers.

Birjand.

1. M. Cesari, of the Belgian Customs Department, informed Captain Watson that he had been specially entrusted with frontier affairs by his (the French) Legation, and had been ordered not to allow anything to occur which was likely to cause an Anglo-Russian misunderstanding. He said that he told M. Descos, the French Minister, that as long as Iyass is in Khorassan there is no chance of an Anglo-Russian friendship in that direction.

2. Baron Shtodak, the notorious Austrian renegade, who has been already mentioned in previous summaries, has now left Birjand for Meshed.

3. Captain Watson made a short tour to Kain and back in October, during which he and his hospital assistant saw 554 patients.

4. Mr. Carter, who travelled along the Meshed-Seistan telegraph line, reports that there seems no doubt that all messages between Meshed and Seistan are tapped at Khaf and Buniabad. He is, however, sending in a detailed Report.

5. Captain Watson, and nearly all the local people except the Russian doctor, continue to urge the withdrawal of the quarantine posts; but instructions have been sent by the Grand Vizier that all the stations must continue to be maintained at full strength.

Seistan.

1. Mumtahan-es-Sultaneh, the Persian Commissioner sent to Seistan in connection with the troubles of last March, is evidently suspected of being friendly to us. At any rate, the Russian Consul in Seistan and the Belgian Customs Director have combined against him, and an insignificant incident between some Persian Cossacks escorting the Persian Commissioner and the Postmaster—who is under the Belgians—was seized upon and apparently somewhat exaggerated. The post-office was closed as well as the Customs office, and many of the employés took sanctuary at the house of a Mujtahed.

The Director of Customs subsequently asked His Majesty's Consul to join him and the Russian Consul in obtaining the recall of the Commissioner.

2. M. Daukes writes:—

"Sixty rifles and 9,600 rounds of Martini-Henry ammunition have been forwarded to His Britannic Majesty's Consulate-General at Meshed. These form part of the Meshed reserve of arms and ammunition imported into Seistan last August. I received a telegram a short time ago from His Britannic Majesty's Consul-General, from which I understood that these arms were required as soon as possible. The ammunition has been forwarded in the custody of a Persian guard of six 'serbazes' supplied by the Muntahan-es-Sultaneh. I informed him that it was necessary to send a large amount of cash to the Vice-Consulate at Birjand, and that a guard would be required. After much consideration, this seemed the most hopeful means of diverting suspicion . . . As I understand from a letter received from Captain Keyes that the Cossacks near Turbat are on the watch for any suspicious looking packages, it seemed advisable to attempt to carry the matter through by guile rather than by a display of force."

Major Kennion writes on the subject:—

"The dispatch of a large number of arms, under another name, by special caravan was not my suggestion, and if my opinion had been asked, I should not have approved of this method of sending them." (No. 28, 10th November.)

Kerman.

1. Itila-ed-Dowleh, formerly Karguzar at Mohammerah, has been transferred to Kerman. There is a possibility of his being elected one of the Kerman Deputies for the National Assembly.

2. The Governor-General, Prince Ferman Ferma endeavoured to suppress news concerning the Assembly, but he could not prevent the clergy from preaching about it.

Ispahan.

1. The Zil-es-Sultan has sent his favourite son, Bahram Mirza, to Tehran apparently to keep him in touch with the Palace, where important events are likely to occur in view of the Shah's critical condition.

Shiraz.

1. The Province of Fars is particularly unfortunate. Ala-ed-Dowleh has left, and Nizam-es-Sultaneh is said to be his successor. It was at first proposed to send Prince Nayer-ed-Dowleh, but the Shirazis refused to accept him, and sent him a telegram as follows:—

"We are informed by telegram of your Highness' appointment as Governor of this province, but we have to inform you that both Vezir Makhsoon and Ala-ed-Dowleh lost their honour here, and so would you. We cannot have three Governors in a single year, and we earnestly beg you to give up the idea of coming here. Do not try in vain, as it may lead to trouble for the Government and the nation. We are tired of oppression. . . ."

Bam.

His Majesty's Vice-Consul is convinced that Bam is an unsuitable point from which to seek information about the smugglers. The routes by which they go are over 200 miles away, and as they do not use the caravan routes but take a direct course from the coast across the deserts and jungles to Seistan, it is impossible to obtain information about them once they have passed Bampur, which is ten days' journey from Bam. It is commonly reported that the smugglers stick at no trifles, but are well armed and desperate. They are even said to make a bee-line across the deserts without regard to water, &c., and, when their supply of water gives out, to drink camel's blood rather than risk stopping at any place frequented by travellers. When His Majesty's Vice-Consul was traveling through Sarraf, he found absolutely no traces of a large

caravan which had passed only a week or so before. Under these circumstances, the task of watching the vast uninhabited wilds and deserts would be a stupendous affair, and is quite beyond the means at present at the Vice-Consul's disposal. It is considered that some place like Saindak, Mirjawa, or Robat would be superior as a base for obtaining information regarding the movements of arms smugglers.

Persian Gulf.

Kowait.

1. On the 24th September, news reached Kowait of another tribal quarrel in the direction of El Hasa, about two days north-west of Hofhoof. A strong raiding party of the Umtair, Elwa, Jiblan, &c., tried to raid the Ajman at some wells. It is said that some fourteen men were killed, and that as the Ajman had moved from the wells the raiding party were taken at a disadvantage.

2. A messenger arrived on the 26th September with costly presents from Bin Saood for Sheikh Mubarak, including a horder, some carpets, and a gold and silver walking stick. All this is said have been looted from Bin Rashid, the late Amir of Nejd.

Lingah.

1. The Deputy-Governor summoned the merchants to select a Representative for Lingah, in the Tehran Parliament.

Mohammerah.

1. Sheikh Mobarak arrived at Mohammerah on the 12th October from Kowait, on board Sheikh Khazal's yacht, the "Iran," and left again after five days.

Bushire.

1. The Russian steamer "Tigre" returned from Bussorah on the 19th October.
2. The Governor of the Gulf Ports returned on the 18th October from his expedition to Dasht.

3. In obedience to orders received from Tehran, the Governor convened a meeting on the 22nd October, in order to get the people to nominate a Deputy to represent them at the National Assembly at Tehran.

4. The Russian steamer "Tigre" left Bushire on the 20th October with a cargo of 1,000 bales of cotton, and 2,000 bundles of tobacco, belonging to the Société du Tombac.

Tabreez.

1. Mr. Wratislaw had an interview with the Valiahd on the 17th November, at which he communicated to his Highness the assurance of the goodwill of His Majesty's Government. The Valiahd expressed his gratitude for the friendship of Great Britain which he prized highly. He was, he said, determined to do all in his power to keep it, and it would be his policy to hold the balance even between us and the Russians. Turning to general subjects His Imperial Highness complained bitterly of the state of things at Tehran. For the last two months, he said, there had been no Government in Persia and he had been left without help or advice in his most difficult post. The Kurds had become uncontrollable and had recently pushed their raids up to the very gates of Urmia. Continuing, the Prince spoke very nervously of the popular movement in Tabreez, and of the persistence shown by the Reform Committee in interfering in affairs which properly concerned the local Government. He had, he said with truth, shown the greatest patience in dealing with this matter. He said that Russian subjects from the Caucasus were pushing the inhabitants of Tabreez to do things which they would not have thought of doing by themselves, and that he had told the Russian Consul-General so.

2. The relations between Mr. Wratislaw and the Russian Consul-General are not as cordial and frank as they might be. Though Mr. Wratislaw has done his best to

co-operate in a friendly way with his Russian colleague, he has found very little response.

3. The Valiahd left Tabreez on the 4th instant for Tehran intending to arrive in eleven days, but it is now reported in Tehran that he will arrive much sooner. His Highness has already done the journey in six days on a previous visit to Tehran.

4. Imam Kuli Mirza has been appointed Governor of Urmia in the place of the Nizam-ed-Dowleh, whose appointment was strongly opposed by the British and United States' Legations as reported in another place. Imam Kuli Mirza has already held several Governorships in Azerbaijan and has impressed His Majesty's Consul-General favourably and the appointment is considered a satisfactory one. It is reported that he will act as Deputy-Governor of Tabreez until Nizam-ul-Mulk arrives there from Tehran, to take up the post.

5. Imam Kuli Mirza has obtained a concession giving him the monopoly of navigation on the Lake of Urmia. He lately purchased a steamer for use on the lake. The Russians are making difficulties with regard to its transit, though they have allowed it into Russia and even as far as the Persian frontier at Julfa. They demand that in return for free transit they should have the first refusal in case Imam Kuli Mirza ever decided to transfer his concession or to enter into partnership. This the concessionnaire is reported to have refused to do.

6. Mr. Wratislaw writes that the Valiahd intends to appoint a son of the Zil-es-Sultan (presumably Jellal-ed-Dowleh) as Governor-General of Tabreez, after his accession to the throne.

Resht.

1. It was reported in Resht that the ex-Grand Vizier had been appointed Governor of the Province of Ghilan. This was not actually the case. His Highness had asked permission to go to Resht presumably with the intention of being within easy reach of Europe as soon as the Valiahd came to the throne. He has now given up the idea in consequence of the threatening attitude of the people of Resht when they heard the news.

2. The fishermen of Enzelli have taken sanctuary at the telegraph office. They claim the right of selling any fish they catch, including sturgeon, for which a Russian firm has the monopoly. Considerable excitement prevails, even at Tehran, on this score, especially as under the ex-Grand Vizier's administration the royalties for several years in advance were discounted by the Government, as reported at the time.

3. The Reform party seem to be strong at Resht, and they were busy during November selecting their Deputies for the Tehran Assembly.

(Signed) G. P. CHURCHILL,
Acting Oriental Secretary.

Tehran, December 6, 1906.

Inclosure 2 in No. 309.

Memorandum of Conversation between Sir C. Spring-Rice and Naser-ul-Mulk, Minister of Finance, November 21, 1906.

THE Minister of Finance attended at the National Assembly on the 20th instant to discuss the proposed Anglo-Russian Loan.

He said that he was closely questioned by the Members of the Assembly as to the proposed loan, but refused to communicate the text of the projected Agreement without the authority of his Government, but he explained its provisions. As to the guarantee he said that it was the same as that of previous loans, upon which they demanded the production of previous loan contracts. This he again refused to do, not being authorized to do so by his Government.

With regard to the terms of the loan, he said that they were favourable to the Persian Government, and such as the Persian Government could well accept. He was asked whether there were any secret conditions. He replied in the negative. He was asked whether the Government had told him to say no. He answered that if the Government told him to say an untruth he would resign, upon which they applauded and said they believed him. They asked him what the money was required for, and he read them a statement. When he came to the expenses of the army, they said, "We do not

want an army, let it go home." He explained that the money was not required for the future but for the past.

When he came to the expenses of the Court there was a general howl of indignation, and many uncomplimentary remarks were made about the Vezir Durbar (Minister of the Court) who, they said, had money enough, already stolen from the Government.

He told them that he was not himself in favour of a foreign loan, but that the Government must have money. They said they would give it, and various offers were made. One man, a student, said he had sold his books, and produced 5 tomans, which was all he had, and which he offered to the Government.

Very little order was kept, several persons speaking at once. The Assembly sat in rows on the ground in a circle. There were about 100 spectators present, including the three great Mujtaheds, who took an active part in the proceedings. They were all very civil and respectful to him personally, and listened attentively to his explanations. But there was no doubt whatever that feeling was intensely hostile to a foreign loan, not from any anti-foreign sentiment, but from distrust and even hatred of the Government, especially the Minister of the Court.

Saad-ed-Dowleh took little part in the proceedings, which were mainly conducted by insignificant members, who showed striking ignorance.

His impression was that the whole movement was organized by a few leaders, who kept in the background, and who, he thinks, have in view a foreign loan from another source, from which they hope to gain advantage. He maintained, however, that in the present state of public opinion even a small foreign loan would be a difficult matter to pull through, and for the present, at any rate, a large Anglo-Russian loan was quite out of the question.

His opinion was that the situation might change when the people, especially the merchants, realized what was a fact, that it was impossible to raise money in Persia.

He was also asked several times whether it would be possible to make Persia solvent, and he replied that it was of course possible if financial reforms were introduced. So large a country as Persia could easily support a debt of 3,000,000*l.* or 4,000,000*l.* They said, "We will raise this money ourselves; we will pay off the foreign debt; we will build railways; we will organize the country." He reminded them that the present necessity was to pay off the immediate liabilities and the expenses of introducing reforms. They seemed to be convinced that they could do this for themselves, and he left the Assembly with the conviction that an attempt, which was doomed to failure, would be made to float an internal loan. When the failure has been made clear the situation might possibly change, but at the present moment he thinks there is nothing more to be done.

(Signed) G. P. CHURCHILL,
Acting Oriental Secretary.

Inclosure 3 in No. 309.

Memorandum.

Minutes of Meeting held at House of Amir Behadur, Minister of the Court,
November 20, 1906.

Present:

Amir Behadur, Minister of the Court.
Sir Cecil Spring-Rice, accompanied by Mr. Churchill.
M. Hartwig, accompanied by M. Baranowsky.

SIR CECIL SPRING-RICE, having introduced the subject of Fars, M. Hartwig made a long statement respecting the dismissal of Ala-ed-Dowleh from the post of Governor-General of that province, which was only partly translated by M. Baranowsky.

M. Hartwig dwelt on the friendly relations which now existed between the British and Russian Governments, and which led him and the British Minister to make a joint representation on a subject which deeply interested both their Governments, whose policy aimed at the support of Persia. They made these representations to him as they knew he had the best interests of His Majesty the Shah at heart, and was trusted by

the Shah in whose confidence they knew he was. He then lay stress upon the unpleasant consequences which might be expected to follow the recall of Ala-ed-Dowleh from Fars and the appointment of his Highness Nayer-ed-Dowleh to succeed him. Neither the Russian or British Governments desired in any way to interfere in the internal affairs of Persia, but when their interests, as well as those of the Persian Government, were menaced, as would be the case if these proposals were carried out, it was their duty to point out the facts to His Majesty the Shah.

Amir Behadur expressed great satisfaction at the understanding between Russia and England which he felt sure would lead to the prosperity and maintain the integrity of Persia. He spoke at some length on the friendly sentiments existing between the three Sovereigns, their masters, and for the necessity of their Ministers being likewise animated by friendly feelings. Kings, he said, could not do wrong. With regard to the Governorship of Fars, the Shah required the services of the Ala-ed-Dowleh in a more important province at the present moment than Fars—namely, in Azerbaijan—where the Government had to deal with very difficult frontier questions, and where a strong man was necessary. He was in no way disgraced, but his activity was to be transferred to a new sphere. He added that he could take no steps officially in this matter although he was Minister of the Court, but was willing to represent the views of the two Ministers, who had done him the honour to call upon him, to His Majesty his master.

Mr. Hartwig insisted on the evil effects likely to arise from the proposed appointment of Nayer-ed-Dowleh, who had not distinguished himself as Governor-General of Khorassan or as Governor of Tehran. On the other hand, Ala-ed-Dowleh, who had only been in Shiraz a few months, had proved himself to be a capable Governor, and had been able to restore order in the province.

Amir Behadur said that Ala-ed-Dowleh could easily be replaced by an even better Governor; the Shah had many servants. It was not necessary to send Nayer-ed-Dowleh, but Ala-ed-Dowleh had been recalled, and he must obey the Shah's orders.

M. Hartwig (after consulting Sir C. Spring-Rice) observed that the principal anxiety of the two Governments in this matter was the maintenance of order in Fars. They did not wish to interfere in the internal affairs of the country, but to insure tranquillity and good government in Fars. They therefore did not insist on the retention there of Ala-ed-Dowleh, although, in their view, he seemed the most capable man for the post; but all they insisted on was the tranquillity of Fars which, they felt sure, would not be insured if Nayer-ed-Dowleh were sent.

Amir Behadur said Ala-ed-Dowleh had his faults, and was not such a good Governor as they supposed. It would be easy to send a much better man to replace him, but the Shirazis must not refuse to receive him as they had refused Nayer-ed-Dowleh, or the consequences would be disastrous.

M. Hartwig said they could not promise that the Shirazis would accept any one chosen. It was a pity Ala-ed-Dowleh was being recalled, but they did not insist. He repeated that all they wanted was the maintenance of order.

Amir Behadur: "I am not a diplomat, but only a plain soldier, and I believe in plain speaking." Continuing, he attributed all the troubles which had occurred in Persia to the support of a handful of intriguers received from the British Legation. If the people who wished to bring about disorder in the country received no support from outside, he thought the country could be calmed very quickly. Tehran could be put in order within three days. If the two Governments were really animated by sincere friendship for Persia, as they professed, the two Legations would now—at the time of need—assist the Shah's Government. This support was one of the principal necessities at the present juncture for the restoration of order.

M. Hartwig said that they were merely spectators, and could not take sides one way or the other. If they did so the people would preach in the mosques that the Government had sold the country to foreigners, who were now assisting to oppress them. But if the people came to them with their grievances they must listen to them, and would represent their petitions to the Shah's Government. The system of "bast," which had existed from antiquity, could not be ignored.

Amir Behadur strongly protested that the Government was not so weak as these remarks implied: that every Persian was a soldier, and that they did not care what the people said in the mosques. If they took refuge in a foreign Legation, let them stay there—the Government did not fear the people, but only the Legations. If they were really friendly, they would help the Government to prevent disorders by not supporting the malcontents.

M. Hartwig reiterated that the two Legations could not interfere, and were only spectators.

Amir Behadur: "You are fencing with me diplomatically, and refuse to discuss the point I raise—(laughing)—I do not understand these tactics."

Reverting to the main issue and the Shoa-es-Sultaneh's connection with the proposed appointment of Nayer-ed-Dowleh, M. Hartwig said he had heard it rumoured that the Shoa-es-Sultaneh had given such difficult instructions to the Nayer-ed-Dowleh, with regard to the conduct he should pursue respecting the Shoa-es-Sultaneh's interests in that province, that the Nayer-ed-Dowleh had stated that it would be difficult for him to carry them out.

Amir Behadur denied the truth of this rumour, but promised to lay the facts before His Majesty the Shah, and even gave his word that Nayer-ed-Dowleh would not be appointed Governor-General of Fars. They did not tell the Shah about the condition of Fars, as the doctors did not wish His Majesty to be troubled with affairs of State. The Shah did not know that Ala-ed-Dowleh had made any difficulties about obeying his commands.

M. Hartwig laid stress on the urgency of the case, and said they had received reports that the people of Shiraz again contemplated taking sanctuary at the British Consulate. It was a pity that a change of Governors was to take place at such a moment, and the result might be a revolt in Fars, the news of which might be very injurious to the Shah when it reached him.

Amir Behadur: "The news of 100 revolts would not trouble His Majesty as much as the news that one of his servants had refused to obey his orders."

(Signed) G. P. CHURCHILL,
Acting Oriental Secretary.

[42984]

No. 310.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 24.)

(No. 33. Commercial.)
Sir,

Tehran, November 27, 1906.

IN continuation of my immediately preceding Commercial despatch I have the honour to transmit herewith copy of a Memorandum which I have received from His Majesty's Consul-General at Bushire containing observations on Mr. Newcomen's Trade Report, and also a despatch from His Majesty's Consul at Bunder Abbas on the same subject.

I have, &c.
(Signed) CECIL SPRING-RICE.

Inclosure 1 in No. 310.

Remarks on Mr. Newcomen's Trade Report.

Preliminary.

TWO preliminary considerations suggest themselves:—

1. Mr. Newcomen's investigations were mainly directed to the promotion of Anglo-Indian trading relations with South-Eastern Persia; his Report cannot, therefore, be regarded as exhaustive in regard to all aspects of British commerce as a whole, although, of course, many statements and recommendations made by him are of general application.

2. It should be remarked that, under the conditions at present prevailing in Persia, matters commercial and political are of necessity inextricably interwoven, so that it is practically impossible to discuss them separately. The account of the system of government on p. 5 of the Report is warranted by the facts, and it would hardly be too much to say that it is idle to hope for any radical reform in the direction of commercial facilities under the present political régime. It is, however, obviously of advantage for us to have a programme of improvements in mind against the day when such may become more feasible; and while not always able to view questions in precisely the same light as Mr. Newcomen, I am of opinion that in his comprehensive and suggestive Report we are provided with an exposition of the conditions of trade at present existing, and of the reasonable commercial potentialities of the future, which is particularly valuable at the present juncture.

Detailed Remarks.

Turning to the Report itself, I venture to offer the following detailed remarks:—
The Trade Report of the Bushire Consulate-General in itself affords some comment, and on certain points brings Mr. Newcomen's remarks up to date.

In it the continued decrease in the imports into Bushire is accounted for. The chief reason for it, however, is, I feel sure, the great impetus given to smuggling by the introduction of the present heavy Tariff. Short of an elaborate system of coast-guard, it is difficult to see how this state of things can be effectively remedied except by the reversion to a less oppressive Tariff.

It will be noticed from the Trade Report that Mr. Newcomen's anticipation of an increase in the import of Indian sugar has been fully justified by the Bushire figures of 1905-1906, which show a rise in the value of these shipments from 827*l.* to 11,888*l.* At Bunder Abbas, however, a parallel increase is not apparent.

I feel sure that there is a promising future before this commodity if it is vigorously pushed. Both in Persia as well as on the Arab Coast the natives have shown themselves extremely suspicious of European sugar, and fanciful stories regarding the details of the process by which it is refined—such as the admixture of bullock blood or injurious drugs—are readily believed, and have the effect of immediately throwing the particular sugar into disfavour. If a pamphlet could be printed in Persian and affixed to the bales, or circulated by other means, setting forth that the sugar is manufactured by Mahomedans in India, and explaining and certifying the innocuous process by which it is produced, the popularity of the commodity would, I am confident, be conveniently promoted.

Since the Mission left Persia, a Vice-Consul has been posted at Bam. From his reports it appears that British Indian goods meet with little or no foreign competition there, but until the place is connected by telegraph with Kerman and Bunder Abbas, and communications are safer, any speedy progress cannot be anticipated.

On the other hand, a Russian Consulate has been created at Bunder Abbas by M. Ovseenko. I have reason to believe that this measure was undertaken by the Russian Government in spite of the opinion expressed by the Russian Consul-General at Bushire and other Russians of local experience to the effect that no commercial considerations justified it. The measure must therefore be regarded as a purely political move, and the Russian Representative seems to have employed himself chiefly hitherto in making trouble for our Consul with the local customs and in supplying the native press with "copy" calculated to prejudice the interests of ourselves or those friendly to us.

Mr. Newcomen instances the Consular Reports of the United States and the Austro-Hungarian Empire as models for our imitation. If His Majesty's Foreign Office concur in his high estimate of these Reports, I would suggest that some typical specimens be circulated among British Consular officers in Persia for their guidance.

Again, Mr. Newcomen urges the need for the appointment of a Commercial Attaché to His Majesty's Legation at Tehran. I am aware that the introduction of a Representative of the Government of India into the staff of His Majesty's Legation at Tehran, whose duty it would be to have Indian commercial and political interests at his fingers' ends and to place them in a suitable light before His Majesty's Representative, is considered to be open to objection; but as far as commerce is concerned, there is no reason why British Indian commerce alone should be represented; and as to the need for special commercial representation in Persia, there can, in my judgment, be no manner of doubt. However frequently His Majesty's Government may enjoin upon its Consular officers that our commercial interests are of just as much national importance as our political interests; that, in fact, the latter follow on the former, and however anxious individual Consular officers may be in the abstract to serve the best interests of their country, whether commercial or political, the consideration cannot be got over that polities possess more attraction for the average Consular or Diplomatic officer than commerce, and that greater "kudos" and higher rewards are to be won in the field of the one than of the other. It is consequently almost inevitable that, in the absence of what I may call artificial stimulation, officers in whose functions political and commercial duties are combined will become primarily engrossed in the political questions affecting them, and the commercial will be in danger of being unintentionally reserved for spasmodic effort usually resulting from some specific cause.

Page 8.

Page 10.

Page 19.

Page 20.

Page 21.

I crave indulgence for expressing the belief that this human factor is a constant one, and has equally to be reckoned with whether the case in point be His Majesty's Legation in Tehran or our humblest Vice-Consulate in the country.

I am convinced that the most effective correction to this will be found in the gathering of the strings of British trade into the hands of one central authority whether he be an officer attached to His Majesty's Legation or otherwise located. Such an officer would be in direct and constant communication with all our Consular officers in Persia, and from his comprehensive standpoint would have his hand upon all the radiating pulses of commerce throughout Persia. Thus situated, an expert functionary with his heart in his work would be in a position to keep Consular officers up to the mark in regard to the advancement of British trading interests, and would keep himself in touch with Departments and Chambers of Commerce both in India and at home.

Until some such measure is undertaken, it is, I fear, vain to assume that British trading interests will be systematically supervised or opportunities taken advantage of to the fullest degree. It is for Government to consider whether our stake in Persia is of sufficient importance to warrant such a course.

As regards the sample bureau referred to on the same page, it is, I think, within the knowledge of His Majesty's Legation, from Colonel Stewart's reports that the sample room instituted at Kerman has hitherto been quite barren of result.

The question of a road and telegraph line between Bunder Abbas and Kerman Page 25. has been dealt with separately by His Majesty's Consul at Bunder Abbas, whose observations under this head I fully indorse.

Mr. Newcomen's remarks on the insecurity of the roads still unfortunately hold Page 26. good.

The cable has now been carried to Bunder Abbas.

The complaints against the "Règlement" have been much less frequent this year Page 35. owing to the more conciliatory attitude of the Director.

Illegal imposts at Bunder Abbas have been dealt with by the Consul. Constant Page 35. pressure has been brought both on the Local and Central Governments to insure their abolition, but so far without success. Attempts are now being made in Shiraz to collect the abolished Rahdari tax under the more insidious form of poll tax on mules.

The Shif road has now been closed by the Governor . . . nominally on account Page 60. of its insecurity. It is probable, however, that in taking this measure he is mainly animated by the desire to tax the muleteers with greater facility on entering Bushire by the land route.

The "Hamal Bashi" question which has given rise to so much difficulty in Bushire is prominently before the public at present and will be made the subject of separate report. Suffice it to say here that the question is a very complex one involving a number of conflicting interests.

The increase in import of Russian piece-goods has been steadily maintained. In Page 72. 1905 the total value of the Bushire imports was 11,873*l.* as against 8,970*l.* in the previous year.

With reference to Mr. Newcomen's list of suggestions for the improvement of Page 97. trade facilities, I need only remark that the first four appear to me to be to the point and are generally in accordance with my own views, so far as they are feasible. There can be no doubt that Mr. Newcomen is right in saying that communications are the crux of commerce in Persia, and that the road from Bunder Abbas to Kerman, the construction of which he recommends, would greatly facilitate access to the markets in which British trade has most chance of maintaining a predominate position. In this connection, Mr. Newcomen's main point would seem to be that we have not taken due advantage in the south of Persia of the opportunities afforded us by Russian action in the north.

The remainder of the suggestions detailed in his résumé seem to call for no special remark from me.

(Signed) P. Z. COX, Major,
Political Resident in the Persian Gulf.

Bushire, October 27, 1906.

Inclosure 2 in No. 310.

Consul Gabriel to Mr. R. Grant Duff.

Sir,

I HAVE the honour to acknowledge the receipt of your despatch dated the 8th August, 1906, requesting me to submit my observations from a commercial point of view on the Report of the British Indian Commercial Mission, which visited Persia in 1904-1905. In complying therewith, my remarks will as far as possible be confined to so much of the Report as concerns the trade of Bunder Abbas.

The very true description presented by Mr. Gleadwe-Newcomen of the merchant carrying on trade under many and various disadvantages and surrounded by primitive trade methods, is far from encouraging reading to the would-be trader in Persia, and in the absence of improved facilities, any considerable expansion of trade can perhaps scarcely be looked for.

This Report makes numerous suggestions for the modernizing and developing of this port, but I venture to urge that all these should be considered as secondary to the pressing necessity for a good road for wheeled transport between the coast and the Persian plateau and the linking up of the telegraph cable with the line already existent at Bam. With such a road and some organized system of transport, Bunder Abbas would at once become the *entrepôt* for the commerce of the whole of South and Central Persia, and with the large increase in trade which might reasonably be anticipated, many of the (p. 43 of Mission's Report) improvements to the port enumerated by Mr. Gleadwe-Newcomen as being essential, would doubtless be carried out concurrently with increasing prosperity and as expansion of trade justified them ("Trade Methods," p. 12); while the disabilities under which trade at present labours owing to the Persian's crude ideas of business methods would gradually disappear owing to his necessarily increased intercourse with the business methods of the outer world.

For these reasons, I respectfully submit that it is of the utmost importance in the interests of British trade and the prosperity and advancement of South and Central Persia generally, that the suggestions made by the Mission for the improvement of communications should receive the earliest consideration of His Majesty's Government and the Government of India.

With regard to the recommendations made in the Report for the improvement of telegraphic communication, with all (p. 30 of Mission's Report) due deference to the opinion expressed that present requirements would best be met by constructing a line of telegraph via Ahmedi, Saidabad, and Bahramabad, to Kerman, I am of opinion that as the line would eventually have to follow the course of the main cart road, the only possible alignment for which is via Minab and Regan to Bam, the line should therefore be constructed on this route and be linked up with the present telegraphic office at Bam.

In the interval which has elapsed since the publication of the Missions Report some modifications ("Illegal Imposts," p. 38) have taken place with regard to the local levy of illegal taxes; at the present time, of the taxes enumerated in the Report, only "Askala," or Pierage and Rahdari, are levied, but in view that the former is now enforced with increased severity and that it has been extended to imports in addition to exports, there would seem to be no certainty that the other taxes, which are at present in abeyance, may not again from time to time be levied with impunity to suit the convenience of the Deputy-Governor on the authority of real or imaginary orders from the Central Government at Tehran.

Copies of this letter are being forwarded by me to the Government of India and to the Political Resident in the Persian Gulf.

I have, &c.
(Signed) C. H. GABRIEL.

[42932]

No. 311.

Sir A. Nicolson to Sir Edward Grey.—(Received December 24.)

(No. 821.)

Sir,

ON the 9th instant I wrote a private letter to M. Isvolsky, stating that he had doubtless heard from Tehran that the Russian and British Representatives were of opinion that the advance to be made to the Persian Treasury should be done publicly

St. Petersburg, December 16, 1906.

and on the responsibility of the Persian Government, and that it would be desirable to await a settlement of the differences between that Government and the popular party. I added that His Majesty's Government were in agreement with these views.

I further stated that I had received information from Tehran to the effect that the Assembly had collected sufficient money to pay the arrears due to the troops, and that I knew that his view was that no steps should be taken on our part, as the money was at the disposal of the Persian Government, on the conditions laid down by the two Governments, and that neither Government had any desire to force its acceptance on the Persian Government.

At my interview yesterday with his Excellency he read and handed to me a reply, of which I have the honour to transmit a copy. On reading this letter again, it seemed to me that there might be a possibility that the Russian Minister might act on his instructions before His Majesty's Government had had an opportunity of expressing their views as to whether a formal demand from the Grand Vizier for the advance, irrespective of the assent of the Assembly, should be immediately accepted. I therefore wrote a letter to M. Isvolsky, of which I beg leave to inclose a copy, expressing the hope that M. Hartwig would not carry out his instructions without a previous agreement with Sir Cecil Spring-Rice.

I have, &c.
(Signed) A. NICOLSON.

P.S.—Since writing the above I have received a reply from M. Isvolsky—of which I have the honour to transmit a copy—in regard to the instructions given to M. Hartwig.

A. N.

Inclosure 1 in No. 311.

M. Isvolsky to Sir A. Nicolson.

Mon cher Ambassadeur,

Saint-Pétersbourg, le 2 (15) Décembre, 1906.
LE Gouvernement Impérial partage le point de vue du Gouvernement Britannique au sujet de l'avance pécuniaire à faire à la Perse, et trouve en effet indispensable que l'avance soit faite publiquement, et que la responsabilité en soit assumée par le Gouvernement du Schah.

Tout en pensant, d'accord avec le Gouvernement Britannique, qu'il serait peut-être préférable d'attendre que le Sadr-i-Azam parvienne à établir une entente avec le Medjlis au sujet de l'avance, le Gouvernement Impérial ne verrait pourtant pas d'objections à ce que les sommes promises fussent délivrées au Gouvernement Persan sur une demande formelle de Mouchir-oud-Dovleh, même dans le cas où ce dernier ne parviendrait pas à vaincre la résistance de l'Assemblée Nationale. Dans tous les cas il paraît désirable qu'à son arrivée à Téhéran le Valiahd soit prévenu par les Représentants d'Angleterre et de Russie de l'opération financière en question.

Des ordres détaillés dans ce sens ont été expédiés au Ministre de Russie à Téhéran, et je vous serais fort reconnaissant si vous pouviez contribuer à ce que des instructions dans le même sens soient envoyées à Sir C. Spring-Rice.

(Signed) ISVOLSKY.

Inclosure 2 in No. 311.

Sir A. Nicolson to M. Isvolsky.

Mon cher Ministre,

Saint-Pétersbourg, le 3 (16) Décembre, 1906.
J'AI relu la lettre que vous avez bien voulu me communiquer hier au sujet de l'avance à faire au Gouvernement Persan, et je n'ai pas manqué d'en transmettre le sens à mon Gouvernement. Je présume que les instructions envoyées à M. Hartwig ne seront mises en exécution qu'après accord préalable avec Sir C. Spring-Rice, car je sais bien que vous désirez autant que nous que les deux Ministres agissent dans cette question en parfaite harmonie. Sir C. Spring-Rice recevra sans doute des instructions

[1682]

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de mon Gouvernement, et il serait à désirer si M. Hartwig voudrait bien attendre jusqu'à ce que son collègue Anglais soit mis en demeure de connaître les vues de Sir E. Grey.

Veuillez, &c.
(Signé) A. NICOLSON.

Inclosure 3 in No. 311.

M. Isvolsky to Sir A. Nicolson.

Mon cher Ambassadeur,

Saint-Pétersbourg, le 4 (17) Décembre, 1906.

LE principe fondamental des instructions que nous avons données à M. de Hartwig, dès le début des négociations au sujet de l'avance commune à faire aux Persans, étant d'agir en parfaite harmonie avec son collègue d'Angleterre, je pensais qu'il était superflu de lui donner des indications complémentaires à cet égard; mais, puisque vous m'en avez exprimé le désir, je m'empresse de lui expédier par télégraphe des ordres dans le sens de votre lettre.

Votre bien dévoué,
(Signé) ISVOLSKY.

[43210]

No. 312.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 26.)

(No. 376.)

(Telegraphic.) P.

Tehran, December 26, 1906.

RUSSIAN Minister and I had a conversation to-day, and came to the following conclusions:—

There is still a strong popular movement against the loan, but Valiahd and Sadr Azam may, owing to severe financial pressure, apply for advance and throw the odium on us by saying that they are acting under pressure.

Uncertainty as to whether the advance will be asked for forces the two banks to restrict their advances to merchants, and this encourages the idea that we are endeavouring to force the Government into accepting the loan in opposition to the popular will.

It seems advisable to us that the Sadr Azam should be officially informed by the two Governments that the offer of an advance is withdrawn, and that publicity should be given to this intimation. If this is not done the two Legations may be accused of providing the Persian Government with funds for the suppression of the reform movement.

[43211]

No. 313.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 26.)

(No. 377.)

(Telegraphic.) P.

Tehran, December 26, 1906.

RUSSIAN Minister to-day informed me that the Shah has expressed his predilection for the Valiahd's eldest son (by a concubine) as future Valiahd. The Valiahd himself, when his father dies, will almost certainly nominate his second son, whose mother was a Princess, and whom he has always regarded as his heir.

The Russian Minister added that it would be desirable that the two Governments should, in accordance with precedent, immediately recognize the Prince designated by the present Valiahd.

(Confidential.)

The anxiety of the Russian Legation that the second son should be recognized is partly accounted for by the fact that he has been brought up by a Russian tutor, but I presume that the precedents of 1834, 1848, and 1852 will be followed.

[43258]

No. 814.

Sir A. Nicolson to Sir Edward Grey.—(Received December 27.)

(No. 830.)
Sir,

St. Petersburg, December 22, 1906.
WITH reference to my despatch No. 821 of the 16th instant, I have the honour to transmit herewith copy of a letter which I have addressed to M. Isvolsky relative to his Excellency's proposals that, in the event of the Mushir-ed-Dowleh making a formal demand for the payment of the joint advance, no difficulty should be made to meeting his wishes, and also that the Valiahd should be made acquainted with the question of a loan to the Persian Government.

I have, &c.
(Signed) A. NICOLSON.

Inclosure in No. 314.

Sir A. Nicolson to M. Isvolsky.

Mon cher Ministre,

EN réponse à la lettre que vous avez bien voulu m'adresser le 2 (15) courant, relative à l'avance au Gouvernement Persan, mon Gouvernement pense qu'il serait peut-être mieux si les deux Légations à Téhéran continuent à observer l'attitude de réserve qu'elles ont jusqu'ici adoptée à ce sujet.

Si le Mouchir-ed-Dowleh nous fait une demande formelle, nous pourrions alors examiner sa proposition en tenant compte des circonstances qui pourraient exister à ce moment; et il nous paraît plus prudent de ne pas en saisir le Valiahd de l'opération financière vu qu'il a déjà eu des entretiens avec une députation de l'Assemblée au sujet des questions financières.

La situation en Perse en ce qui concerne les fonctions et les relations de l'Assemblée avec le Gouvernement semble toujours être un peu indécise, et dans ces circonstances une attitude de complète réserve de la part des deux Légations serait, à l'avis de mon Gouvernement, la plus prudente.

J'espère que vous partagerez cette manière de voir, et croyez-moi, &c.
(Signed) A. NICOLSON.

[43210]

No. 315.

Foreign Office to India Office.

Sir,

I AM directed by Secretary Sir Edward Grey to transmit to you herewith decypher of a telegram from His Majesty's Minister at Tehran,^{*} recommending that the Persian Grand Vizier should be officially informed that His Majesty's Government and the Russian Government withdraw their offer of a joint advance to Persia.

Sir Edward Grey proposes, if Mr. Secretary Morley concurs, to ask the views of the Russian Government on this proposal, informing them that we are prepared, if they agree, to approve the course suggested by the two Ministers.

I am, &c.
(Signed) E. GORST.

[43211]

No. 316.

Foreign Office to India Office.

Sir,

I AM directed by Secretary Sir Edward Grey to transmit to you herewith decypher of a telegram from His Majesty's Minister at Tehran[†] relative to the designation of an heir by the Valiahd on his accession to the throne of Persia.

It is almost certain, in Sir C. Spring-Rice's opinion, that the Valiahd will name his second son in spite of the desire of the Shah for the designation of the eldest, and, in these circumstances, even if His Majesty's Government were to raise an objection it would probably not receive attention.

Sir Edward Grey accordingly proposes, subject to Mr. Secretary Morley's concurrence, to authorize Sir C. Spring-Rice to recognize as heir, on behalf of His Majesty's Government, the Prince so designated by the Valiahd on his accession, on condition that his Russian colleague receives similar instructions.

I am, &c.
(Signed) E. GORST.

[43396] No. 317.

Sir A. Nicolson to Sir Edward Grey.—(Received December 28.)
(No. 832.)

Sir,
St. Petersburg, December 24, 1906.
WITH reference to my despatch No. 830 of the 22nd instant, I have the honour to inclose herewith copy of a note which I have received from M. Isvolsky, relating to the instructions which have been sent to the Russian Minister at Tehran as to the attitude which he should adopt in regard to the joint advance to the Persian Government.

I have, &c.
(Signed) A. NICOLSON.

Inclosure in No. 317.

M. Isvolsky to Sir A. Nicolson.

Mon cher Ambassadeur, Saint-Pétersbourg, le 10 (23) Décembre, 1906.
M. DE HARTWIG me télégraphie que, se rangeant à l'opinion de son collègue d'Angleterre, il croit préférable, vu les circonstances actuelles, de s'abstenir de tous pourparlers avec le Valiahd sur la question de l'avance.

Puisque vous me faites savoir dans votre lettre du 9 que le Gouvernement Anglais partage ce point de vue, je donne par télégraphe à notre Ministre à Téhéran l'ordre de ne pas toucher à cette question dans ses entretiens avec le Régent et de continuer à agir comme avant en parfaite harmonie avec Sir C. Spring-Rice.

Veuillez, &c.
(Signé) ISVOLSKY.

[43473] No. 318.

Sir A. Nicolson to Sir Edward Grey.—(Received December 28.)
(No. 315.)
(Telegraphic.) P.

St. Petersburg, December 28, 1906.
WITH reference to Sir C. Spring-Rice's telegram No. 376 respecting the joint advance to the Persian Government, before approaching the Minister for Foreign Affairs in regard to the proposal to inform the Persian Government officially that the two Governments withdraw their offer, I will await your instructions. I anticipate that M. Isvolsky will observe that if our offer were withdrawn the Persian Government would be compelled by financial pressure to apply for assistance to Germany, whose conditions might be of a nature which both of us would consider inconvenient.

[43485] No. 319.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 28.)
(No. 379.)
(Telegraphic.) P.
MY telegram No. 376: Anglo-Russian advance.
Russian Minister and I have come to the conclusion that, in view of the uncertainty of the present political situation, and in anticipation of the possibility that

the withdrawal of our offer, if too definitely announced, might give an excuse to the Persian Government to apply elsewhere for assistance, the two Governments should, if they agree to the proposal to withdraw their offer, give careful consideration to the question of the time and mode of intimating that fact to the Persian Government. We hold that the door should be left open for a resumption of negotiations.

It is always possible that the proposed National Bank may form an alliance with a German bank.

[43612]

No. 320.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 29.)

(No. 380. Secret.)
(Telegraphic.) P.

Tehran, December 29, 1906.

ANGLO-RUSSIAN advance. My telegram No. 376.
The Shah's health has again improved, but the Valiahd now holds the Regency. The Valiahd is regarded by the Russians as their creature, and they now seem less anxious to act with us in this country. Their object, in suggesting that we should withdraw our joint offer of a loan, may be to clear the ground for separate action on their own part.

[43634]

No. 321.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 29.)
(No. 381.)
(Telegraphic.) P.

Tehran, December 29, 1906.

ANGLO-RUSSIAN advance.
The clause in the Constitution which lays down the principle that control of the finances should be in the hands of the Assembly has apparently been accepted by the Valiahd. The probability is, therefore, that the Government will obtain popular sanction before applying for the advance, and our offer can therefore be left as it stands at present.

[43210]

No. 322.

Sir Edward Grey to Sir A. Nicolson.
(No. 463.)
(Telegraphic.) P.

Foreign Office, December 29, 1906.

JOINT advance to Persia.

Sir C. Spring-Rice's telegram No. 376 of the 26th instant. You may inform the Russian Government that we are prepared to withdraw the offer if they agree to do so.

[43632]

No. 323.

Sir A. Nicolson to Sir Edward Grey.—(Received December 30.)
(No. 316.)
(Telegraphic.) P.

St. Petersburg, December 30, 1906.

WITH reference to Sir C. Spring-Rice's telegram No. 380 respecting the Persian succession, M. Isvolsky told me two days ago that he wished to act with us in the matter, and he would speak to me again on the subject after he had been able to look up precedents. He mentioned to me that he had received a telegram from the Russian Minister on the question of the second son of the Valiadh being designated as heir.

[43633]

No. 324.

Sir A. Nicolson to Sir Edward Grey.—(Received December 30.)

(No. 317.)

(Telegraphic.) P.

St. Petersburg, December 30, 1906.

WITH reference to your telegram No. 463 respecting the joint loan to Persia, possibly you may prefer, in view of Sir C. Spring-Rice's telegrams Nos. 380 and 381, that I should await any observations which M. Isvolsky may make to me respecting the withdrawal of our offer, and that I should not initiate the question.

[43794]

No. 325.

India Office to Foreign Office.—(Received December 31.)

Sir,

IN reply to Sir E. Gorst's letter of the 27th instant relative to the designation of an heir by the Valiahd on his succession to the throne of Persia, I am directed to say that Mr. Secretary Morley concurs in Sir E. Grey's proposal to authorize Sir C. Spring-Rice, on behalf of His Majesty's Government, to recognize as heir the Prince so designated by the Valiahd on his accession, on condition that his Russian colleague receives similar instructions.

I am, &c.
(Signed) HORACE WALPOLE.

[43786]

No. 326.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 31.)

(No. 382.)

(Telegraphic.) P.

Tehran, December 31, 1906.

PERSIAN succession. My telegram No. 377.

The Russian Minister is pressing for a reply as to whether, in the event of the Shah's dying (and he is worse again), I will join him in recognizing as heir to the throne the Prince whom the present Valiahd nominates as his successor. Am I authorized to do so?

[43848]

No. 327.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 31.)

(No. 383.)

(Telegraphic.) P.

Tehran, December 31, 1906.

MY telegram No. 375.

Following sent to India to-day:—

" Your telegram No. 205, Secret. Seistan escort.

" Permission to increase escort was given in August last, but situation has altered since then. At present our contention is that there should be no change of the *status quo* pending our negotiations with Russia. We might doubtless justify the proposed step on the ground that we are not actually increasing the present number of the escort, but I think it would be better, to avoid the possibility of any misunderstanding, to leave things as they are unless the Home Government issues instructions to the contrary."

[1]

No. 328.

Sir C. Spring-Rice to Sir Edward Grey.—(Received December 31.)

(No. 384.)

(Telegraphic.) P.

MY telegram No. 288 of the 18th October.
Karun irrigation scheme.

The advantages of the Dutch scheme have again been urged on me by the Netherland Minister. He says that both the Persian Government and the Sheikh favour it, and that it would bar the scheme of the Germans, who, he says, are now pressing for a concession.

I replied that no instructions had reached me, and that he should make application through the London Foreign Office.

Tehran, December 31, 1906.

[43786]

No. 329.

Sir Edward Grey to Sir C. Spring-Rice.(No. 220.)
(Telegraphic.) P.*Foreign Office, December 31, 1906.*

YOU may act as suggested in your telegram No. 382 of to-day with regard to the Persian succession.

[43848]

No. 330.

Sir Edward Grey to Sir C. Spring-Rice.(No. 221.)
(Telegraphic.) P.*Foreign Office, December 31, 1906.*

SEISTAN escort. Your telegram No. 383 of to-day. The India Office understand that the ten sowars, to whom you refer in your telegram No. 375 of the 23rd December, are to relieve the ten men who were added to the escort last August. If this view is correct, no change in the *status quo* is in question.